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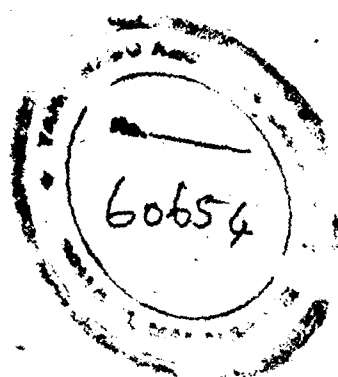
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CONTENTS

Volume II—29th February to 27th March, 1944

	PAGES		PAGES
TUESDAY, 20TH FEBRUARY, 1944—		TUESDAY, 7TH MARCH, 1944—contd;	
Presentation of the General Budget for 1944—	697—718	Election of Members to the Standing Committee for Roads	905
The Indian Finance Bill—Introduced	718	Election of Members to the Standing Committee for the Posts and Air Department	905—45
The Indian Income-tax (Amendment) Bill—Introduced	718	General Discussion of the General Budget	905—45
WEDNESDAY, 1ST MARCH, 1944—		MONDAY, 13TH MARCH, 1944—	
the fifth Pakka	719	Member Sworn	947
and I do so	719—25	Starred Questions and Answers	947—71
Extension of Final Disposal of Cloth and Yarn Tex-marked August or September—Ruled out of order	727	Unstarred Questions and Answers	971—80
Taking over of Portions of the Bengal and Assam Railway by the United States Army Railway Units—Ruled out of order	727—28	Motions for Adjournment re—	
Statement of Business	728—30	Special Allowance to British Junior Married Officers in India—Disallowed	980—81
Message from the Council of State	730	Demand and Exaction of enhanced Excise Duty at Calcutta, Gondia and Delhi on Duty-paid Tobacco—Disallowed	981—1021
Resolution re—		The General Budget—List of Demands Demand No. 12—Executive Council	982—102
Floation of Loan for subsidising the Agriculturists—Adopted	730—53	TUESDAY, 14TH MARCH, 1944—	
Debarring of Government Servants' Election to Port Haj Committees—Negotiated	753—60	Starred Questions and Answers	1023—38
Reforms Committee for Baluchistan—Discussion not concluded	760—64	Unstarred Questions and Answers	1038—39
THURSDAY, 2ND MARCH, 1944—		Short Notice Question and Answer	1039—40
Starred Questions and Answers	765—72	The General Budget—List of Demands Demand No. 12—Executive Council	1040—76
Unstarred Questions and Answers	772—74	Demand No. 21—Finance Department Appointment of Committee for scrutinising Government expenditure and suggesting economies	1040—76
Election of Members to the Standing Committee on Pilgrimage to the Hejaz	775	Demand No. 20—Department of Indians Overseas Facilities for Pilgrimage to the Hejaz	1076—78
Election of Members to the Standing Committee for the Civil Defence Branch of the Defence Department	775	WEDNESDAY, 15TH MARCH, 1944—	
The Code of Criminal Procedure (Amendment) Bill (Amendment of sections 378 and 429)—continued	775	Starred Questions and Answers	1079—97
The Abolition of Whipping Bill—Continued	775	Unstarred Questions and Answers	1097—98
The Code of Criminal Procedure (Amendment) Bill (Amendment of sections 162, 488 and 496)—Continued	775	Message from the Council of State	1098
The Indian Merchant Shipping (Amendment) Bill—Passed as amended	775—76	The General Budget—List of Demands Demand No. 17—Miscellaneous Post-War Reconstruction with special reference to the Scheduled Castes	1099—1114
The Indian States (Protection against Disaffection) (Amendment) Bill—Motion to circulate—Negotiated	777—85	Demand No. 15—Home Department Abuse of Powers under the Defence of India Act and Rules	1115—38
The Delhi Muslim Wakfs (Amendment) Bill—Introduced	785	THURSDAY, 16TH MARCH, 1944—	
FRIDAY 3RD MARCH, 1944—		Starred Questions and Answers	1139—54
Members Sworn	787	Unstarred Question and Answer	1154
Starred Questions and Answers	787—95	Motion for Adjournment re Civil Supplies Commissioner's order refusing supply of rice to South Kanara District—Ruled out of order	1154—55
Unstarred Questions and Answers	795—96	The Indian Income-tax (Amendment) Bill—Presentation of the Report of the Select Committee	1172
Statement of Business	797	General Budget—List of Demands Demand No. 16—Department of Industries and Civil Supplies	1155—1204
The Central Excise Rules—(Laid on the table)	797	Demand No. 16—Department of Industries and Civil Supplies Supply of Consumers Goods as a means of Anti-Inflation	1155—77
Election of Members to the Standing Committee for Roads	797	Demand No. 23—Department of Labour Government Policy in dealing with Questions affecting the Interests of Indian Labour	1178—91
Election of Members to the Standing Committee for the Posts and Air Department	797—98	Demand No. 24—Department of Posts and Air	1191—96
The Factories (Amendment) Bill—Introduced	798	Need for Substantial Increase of Dearness Allowance	1191—96
The Protective Duties Continuation Bill—Introduced	798	Demand No. 1—Customs	1196
The Indian Income-tax (Amendment) Bill—Referred to Select Committee	798—809	Demand No. 2—Central Excise Duties	1196
The Indian Coconut Cess Bill—Passed as amended	809—817	Demand No. 3—Taxes on Income including Corporation Tax	1196
The Hindu Code, Part II (Marriage)—Discussion on motions to refer to Joint Committee and to circulate—not concluded	817—33	Demand No. 4—Salt	1196
MONDAY, 6TH MARCH, 1944—		Demand No. 5—Opium	1196
Members Sworn	835	Demand No. 6—Provincial Excise	1196
Starred Questions and Answers	835—42	Demand No. 7—Staamps	1196
Unstarred Question and Answer	842	Demand No. 8—Forests	1196
Statements laid on the Table	842—48	Demand No. 9—Irrigation (including Working Expenses), Navigation, Embankment and Drainage Works	1197
General Discussion of the General Budget	848—89	Demand No. 10—Indian Posts and Telegraphs Department (including Working expenses)	1197
TUESDAY, 7TH MARCH, 1944—			
Starred Questions and Answers	891—99		
Unstarred Questions and Answers	899—903		
Short Notice Question and Answer	903—94		
Motion for Adjournment re Inclusion of Grant to the Indian Institute of International Affairs Under the External Affairs Department Expenditure—Ruled out of order	904—05		

[29TH FEB. 1944]

[Sir Jeremy Raisman.] the objective forces at work. It is inevitable that the Government should bear this in mind when making any pronouncement. The outside critic fastens on particular aspects of the economic position and in his zeal to establish the validity of his own analysis may have scant regard to the practical effects, in a delicate and dangerous situation, of the vehement expression of his own views. The Government on the other hand cannot adopt this freedom and detachment in dealing with conditions which may be the cause of acute anxiety. At the risk of being charged with complacency it must strive to restore a sense of balance and to counteract the panic which may itself be the most dangerous element in the situation, and which, if unchecked, will frustrate all remedial action. This may seem obvious, but in the light of the events of the past year I make no apology for repeating it.

Financial Year 1942-43

4. I will now give briefly the results of the last financial year. In our Revised Estimates for 1942-43 we expected to end the year with a deficit of Rs. 94.86 Crores. The actual deficit turned out to be Rs. 112.17 crores. Defence expenditure exceeded our estimates by about Rs. 25 crores, but on the civil side there was a saving of about Rs. 9 crores. Revenue was also Rs. 2 crores below expectations. Although income-tax collections improved by Rs. 8 crores, there was a reduction of Rs. 3 crores in receipts from war insurance and of Rs. 8 crores under Customs. Following on the decision of His Majesty's Government to bear the cost of the petrol and aviation spirit required for the expansion of India's air and land forces, there was a refund to the Defence Services of the duty initially collected under the ordinary customs procedure. This accounts for the decrease under customs revenue.

Financial Year 1943-44

5. Turning to the current year, I shall first deal with the revenue position. Total revenue is expected to reach Rs. 254.50 crores which is Rs. 35.50 crores more than our budget anticipations.

The general trend of customs has not been materially different from our budget anticipations, but here again a large amount of duty on imported petrol has to be deducted from the gross figure. We now estimate the net revenue under this head for the whole of the current year at Rs. 25.94 crores.

Under Central Excises our present calculations suggest an improvement of Rs. 63 lakhs over the Rs. 25.02 crores provided in the Budget Estimates. We expect a short-fall of Rs. 1½ crores under 'tobacco', which will, however, be counterbalanced by the increased collections anticipated under 'motor spirit' and 'matches'. Our Revised Estimates under 'sugar' provide for a revenue of Rs. 6.40 crores which includes Rs. 40 lakhs collected under the Sugar (Temporary Excise) Ordinance 1943. The disposal of this special revenue is under consideration.

6. Under Taxes on Income the budget allowed for a collection of Rs. 102 crores but with the speeding up of assessments we now expect the total revenue for the year to reach Rs. 138 crores. Excess Profits Tax will, according to our expectations, now yield Rs. 62.25 crores against Rs. 40 crores forecast in the budget. This, of course, excludes some of the collections under the Ordinance issued last summer which, for accounting purposes, are treated as deposits pending regular assessments. The divisible pool of income-tax has been taken at Rs. 44.04 crores and the share of the Provinces at Rs. 13.50 crores (including Rs. 1.98 crores on account of the previous year's arrears). The provincial share will thus be Rs. 7.40 crores more than the budget figure.

7. In salt revenue we expect a short-fall of Rs. 50 lakhs; there is an improvement of Rs. 4.94 crores under 'Currency and Mint' of which Rs. 4.26 crores is the increase in Government's share of the surplus profits of the Reserve Bank. The revenue of the Posts and Telegraphs Department is expected to reach Rs. 25.32 crores, an improvement of Rs. 3.38 crores over the Budget Estimate. Traffic earnings have again exceeded expectations and we took over the telephone system at Calcutta with effect from the 1st April instead

of from the 1st September 1943 as anticipated in the budget. There is an increase of Rs. 2.36 crores in the expenditure which is estimated at Rs. 15.94 crores. The anticipated surplus of Rs. 9.38 crores will accrue to general revenues.

As the House has already heard, we are adopting for our Revised Estimates a contribution of Rs. 32.27 crores from Railways against Rs. 27.10 crores taken in the Budget.

Expenditure

8. *Defence Services.*—On the expenditure side I shall deal first with the defence services. The striking reverses inflicted on the Axis forces during the closing months of 1942 marked the turning of the tide of fortune in favour of the United Nations and the year 1943 witnessed an almost unbroken series of victories over all three Axis partners by land, sea and air. The invasion of Italy followed shortly by the unconditional surrender of her Government, the devastating blows dealt by the British and American air forces on Germany's production centres, the striking successes against the Japanese achieved by American and Australian forces of all arms in the South West Pacific, and above all the crushing defeats inflicted by our great Russian ally on the German invader whose armies are rapidly being flung out of Russia, these are all significant portents of the end that awaits our enemies.

This House is already aware and justifiably proud of the part played by India in the campaigns in North Africa and Italy and I need not dwell upon them here. It will be sufficient to say that the trained soldiers and the stream of munitions and war stores poured out by India have been a most potent factor in the victories achieved in these theatres.

9. In India itself the year 1943 has been to a large extent one of patient preparation and gathering of strength for the large scale offensive which we all hope and believe will finally dispose of Japan's pretensions to domination in Asia.

The major event of the year has been the setting up of the South East Asia Command under Admiral Lord Louis Mountbatten as Supreme Allied Commander, assisted by naval, army and air commanders and staff officers drawn from both the British and American forces. The responsibilities of this new command are mainly the direction and co-ordination of the offensive based on India against Japan but they also include the security and local defence of India within a relatively small area on India's North Eastern Frontier. While, however, all responsibility for actual operations against Japan has thus passed out of India's direct control she has been entrusted with weighty responsibilities in respect of the training and maintenance of the sea, land and air forces required for the grand offensive of which she will be the main base.

10. As I shall explain later, the setting up of this new command does not of itself either add to or diminish India's liability for defence expenditure. It is clear, however, that a substantial increase in the demands on India's resources of skilled man-power and materials, even though the cost were not borne by Indian revenues, would impose a severe additional burden on her economy which has already shown distinct signs of overstrain, and might even lead to a serious breakdown. This danger has been foreseen and a number of safeguards have been introduced to ensure that India's economic stability, on which depends not only the well-being of her people but her utility as a base for the operations in question, is not imperilled.

This does not mean that any slackening of India's war effort or any repudiation of commitments entered into by her towards the other Allied Nations is contemplated. The Government of India have, however, made it clear that no further substantial increase in the overall quantum of war demands on India's resources can be met without grave risk of economic collapse and that an early lightening of her present burden by the release for vital civil needs, of certain types of supplies and productive capacity at present appropriated for war purposes, is essential in order to counteract the unhealthy tendencies now manifesting themselves. As regards the extra demands for supplies and

[Sir Jeremy Raisman.]

services only obtainable in India, which must inevitably arise out of her utilisation as an operational base, these can only be met provided equivalent relief is afforded by the diversion of war demands previously placed on her to other sources of supply, or by other means.

11. The land forces in India continued to grow throughout the year partly as a result of the bringing of additional forces into the country and partly by further raisings in India in accordance with the expansion plans, though owing to the increasing insistence on the maintenance of quality the rate of recruitment was lower than in the previous year.

During the course of the year, as foreshadowed in my last budget speech, these forces reached approximately the strength held to be necessary and sufficient for local defence purposes. How the strength in India will be modified in the near future by the combined effect of further increases in recruitment and movements of troops into and out of India, depends of course on operational developments. In any case, should the strength of troops in India at any time exceed the limit to which I have just referred, the cost of such excess would, as I shall explain shortly, not fall on India.

12. Further improvements in the conditions of service of officers and other ranks of the Indian Army have been introduced or are in contemplation. Rates of corps pay admissible to I.C.O.'s employed in technical branches have been levelled up to those admissible to K.C.O.'s, while the rules governing the grant of disability and casualty pensions have been liberalised on the lines recently adopted by His Majesty's Government in regard to British service personnel.

In the case of other ranks an important development has been the improvement of the scales of rations allowed for Indian troops. Reports from the medical authorities indicated that the previous scales were deficient in certain nutritive properties and that in the interests of the health of the troops some changes were desirable. More liberal and varied scales approximating to those allowed on field service were accordingly introduced with effect from the 1st July 1943 at an estimated annual cost of about Rs. 6 crores.

In addition, military pensioners are sharing in the general increases recently sanctioned in the amounts of small Government pensions up to Rs. 40 a month.

13. The year under review has seen a further large increase in the volume of military stores handled in India, mainly due to steadily increasing arrivals of guns, ammunition, tanks, lorries, equipment of all sorts, raw materials and foodstuffs, from the U. K., the U. S. A., Canada, Australia, etc.

The administrative problem of providing storage accommodation for these large accretions and the staff and establishments required for their custody, distribution and maintenance is one of the most difficult with which the defence authorities in India have been faced, involving as it does extensive and costly building projects and the recruitment and training of technicians capable of handling and repairing the complicated machines required for modern warfare. Great progress has been made during the year towards meeting these requirements but much still remains to be done.

In particular schemes for increasing the capacity of India's railway system and for providing the additional port facilities so essential to her as a base for operations overseas are rapidly going ahead.

14. The Royal Indian Navy continued to grow and in order to deal with the increased intake of personnel new training establishments were sanctioned and existing establishments expanded. The programme of new construction of ships in India is now well advanced and a considerable fleet of war vessels is now in commission.

The value of the new fleet as an ancillary to the older navies of the Allied Nations is being more and more recognised. During 1943, in addition to carrying out its primary role of local naval defence of India, the R. I. N. has been engaged in escort work and has also been employed in support of the army on the eastern front. Units of the R. I. N. have, moreover,

operated in British waters and participated in various operations in the Mediterranean including the invasion of Sicily.

15. The rapid expansion of the air forces in India continued throughout the year, which saw the arrival of many additional squadrons, some of types entirely new to India, together with ancillary and maintenance units of all kinds. The forces now in India are not only capable of dealing adequately with any attack by air that might conceivably be launched against her by the enemy, but they have for some time past been much in excess of the strength held by the Indian defence authorities to be necessary and sufficient for this purpose.

India's liability for these squadrons, ancillary units and maintenance facilities arises, of course, only in respect of those held to be needed for purposes of her local defence.

16. Turning now to the Indian Air Force it is gratifying to note that the supply of modern aircraft is no longer a limiting factor in its expansion and satisfactory progress has been recorded in implementing the main Ten-Squadron Plan. Indeed, the chief limiting factor is now a lack of officer pilots. For both the Ten-Squadron Plan and for India's participation in the Empire Air Training Scheme 70 pilots a month are needed and, unless the best of India's man-power comes forward to meet this requirement we shall not be able to build up the strong Indian Air Force which this country should possess.

In addition to the expansion envisaged in the Ten-Squadron Plan and participation in the Empire Air Training Scheme, the Indian Air Force has undertaken four further important expansion measures. The first of these is the development in India of the complicated and extensive training and maintenance organisation necessary to back up her Ten-Squadron Air Force.

The second measure is the introduction of a scheme for the appointment of a number of I. A. F. personnel to R. A. F. staffs and units in India to gain experience in established units working under war conditions. This scheme is wide in its scope and will eventually not only add thousands to the wartime strength of the I. A. F. but also provide the basic material from which to build up a permanent training and maintenance organisation behind India's Air Forces.

The third measure is the Indianisation of the Balloon Squadrons of the Air Forces in India.

The fourth measure is the inauguration of the Indian Air Training Corps to give pre-entry training to prospective pilots at Universities. Eight Universities have started Indian Air Training Corps units under this scheme.

17. The well-being and welfare of the Services has been assigned a higher place both in administration and in the apportionment of financial resources than in any previous period. Physical fitness and thorough training must be allied with mental fitness, which can only be achieved if the fightingman knows what he is fighting for and also is assured of a reasonable standard of comfort and recreation when he is not actually training or fighting.

The provision of amenities and arrangements for the soldier's welfare generally are secured by means of Government grants for expenditure on the purchase of literature, games requisites, radio sets, gramophones and so forth, as well as on the construction of recreational institutions, their furnishing and equipment. Concert parties for both British and Indian troops have been arranged, and recently there has been a very large expansion in this class of amenities. Grants are also made for the promotion of more serious mental and physical recreation, which are intended to be spent on Unit libraries, hobbies and handicraft equipment, the provision of external lecturers and visits to places of interest.

A good deal of attention is now being paid to the protection of the interest and promotion of the well-being of the men's families, as on this depends to a great extent the morale of the fighting soldier. So far as British troops are concerned this is done mainly through the agency of the Soldiers, Sailors and Airmen's Families Association. The welfare of the Indian Services' families and ex-servicemen is safeguarded by the Soldiers Board organisation

[Sir Jeremy Raisman.]

which has recently been greatly strengthened and extended with the help of grants from defence funds, and now covers all areas which have furnished considerable numbers of men to the Services. The Soldiers Boards are aided by the Civil Liaison Officers organisation which is staffed by military officers, and which is a link between the District Soldiers Boards and the Headquarters of the Services. These organisations investigate all complaints from absent soldiers, sailors and airmen and their families, look after their interests in law suits, ensure that they get their fair share of rations and necessities when there are shortages, and generally see to the well-being not only of the families but also of discharged or disabled service men.

18. The effect on India's finances of the developments in the defence field that have just been described have now to be considered. The allocation of defence expenditure between India and the U. K. continues to be governed by the terms and principles of the Financial Settlement, and developments in the war situation and the establishment of the S. E. A. Command have not rendered it necessary to depart from those principles. In accordance with those principles India's liability for the cost of forces serving within her geographical frontiers is subject to the condition that such forces are both necessary and available for local defence purposes. It has been recognised that the strengths of forces needed for such purposes at any time are subject to maximum limits and limits of this nature have already been laid down by H. E. the Commander-in-Chief for both the land and air forces.

These limits (or ceilings as I shall term them) are of course related to the actual or probable threats to India's security at a specified time and are therefore subject to revision in the light of developments in the war situation as a whole.

The estimates and accounts of India's defence expenditure have therefore to be prepared with due regard to these ceilings, as certified from time to time by the Indian defence authorities, which set bounds to her liability for the cost of the additional forces brought into or raised in the country. During the year 1942-43, neither of the ceilings came into effective operation but in framing the estimates for subsequent years they constitute an important factor, particularly on the air force side.

As already indicated, so far as land forces are concerned, the present ceiling has not yet been exceeded and the revised estimates have therefore been based on the actual strengths likely to be available in India for local defence purposes. In the case of the air forces, however, the ceiling was reached during the current year and for some time past the strength of air forces in India has exceeded the ceiling strength by a considerable and steadily growing margin.

19. It will be recalled that in my last budget speech I explained that pending arrival at an understanding regarding the air force ceiling, provision had been made in the 1943-44 budget estimates for only half the extra expenditure arising out of the expansion of the air forces in India, the balance of the expenditure being included provisionally under suspense. The air force ceiling eventually prescribed turned out to be less than the estimated strength of air forces for 1943-44 and as a result the half share (amounting to Rs. 10.82 crores) of the estimated recurring cost provisionally taken under suspense became distributable between India and H. M. G., in the proportion of Rs. 8.98 crores to Rs. 1.84 crores.

So far as capital outlay on the provision of airfields and other operational facilities is concerned it was found that all the airfields etc., included in the 1943-44 programme were necessary to enable the air forces included within the ceiling to perform their function of defending India. Accordingly provision has been made in the revised estimates for the whole of such capital outlay, whereas in the budget estimate for 1943-44 a sum of Rs. 9.32 crores, representing one-half the estimated capital outlay on the expanded air forces, had, pending investigation of this point, been provisionally taken to suspense.

While the Defence estimates exclude the cost of forces serving in India in excess of ceiling strengths, India also bears no financial liability for other units

or formations employed in India on duties unconnected with her local defence or for measures such as those relating to the expansion of administrative and maintenance organisations, the acquisition and holding of additional stocks and the improvement of internal transportation and port facilities, which are incidental to the setting up of the S. E. A. C. or to the utilisation of India as a base for large scale offensive operations against Japan.

20. The revised estimates of defence expenditure for the year 1943-44 amount to Rs. 262.64 crores and Rs. 38.30 crores under the Revenue and Capital heads respectively. The details are as follows:—

Revenue portion

	In lakhs of rupees.
(1) Basic Normal Budget	36.77
(2) Effect of rise in prices	13.01
(3) India's War Measures	204.53
(4) Non-effective charges	8.33
Total	262.64

Capital portion

	In lakhs of rupees.
(1) Air Force—Airfields	14.67
(2) Capital outlay on industrial expansion	6.90
(3) Reciprocal Aid—Airfields	10.85
(4) New Construction for the R. I. N.	2.58
(5) Capital outlay on Tele-communications scheme	4.20
Total	38.30

21. In the Revenue portion, the increase of Rs. 2.39 crores in item (2) over the corresponding budget figure is due to the increase in the price-levels of stores and to the grant of improved scales of rations to Indian troops from 1st July 1943. The increase of Rs. 77.52 crores in item (3) is due mainly to the two causes just mentioned, as well as to the inclusion of a portion of the recurring expenditure on the air forces provisionally placed under suspense last year, to increases in the strengths of forces in India and to increased supplies and services rendered by India to the U. S. A. on Reciprocal Aid terms. A reduction in the estimated total of receipts on account of lend-lease stores supplied to Provincial Governments, Railways, the Posts and Telegraphs Department and other paying indentors from Rs. 15 crores to Rs. 12 crores has also contributed to the excess.

The estimate of non-effective charges shows a slight reduction due to the restrictions on retirements and the reemployment of pensioners. The reduction is less than it would otherwise have been owing to the inclusion in the revised estimate of provision for the general increase in small pensions with effect from the 1st November 1943.

22. As regards the capital portion, the amount included in the Budget against item (1) was Rs. 2.52 crores, Rs. 9.32 crores being held under suspense. The revised estimate therefore represents an increase of Rs. 2.83 crores over budgetary anticipations, due mainly to heavy liabilities carried forward from 1942-43.

The increase of Rs. 2 crores in item (2) arises out of unforeseen expansions of ordnance factories and dairy farms during the year.

Item (3) shows an increase of Rs. 8 crores due partly to a heavier carry-over of liabilities from 1942-43 and partly to additional demands for airfields and connected works required by the U. S. A. forces in India. The decrease of Rs. 70 lakhs under item (4) is due mainly to a carry forward of liabilities to 1944-45.

Civil Estimates

23. Civil Expenditure in the current year has increased from Rs. 76.78 crores provided for in the Budget Estimates to Rs. 84.29 crores. Of this increase about Rs. 1 crore represents self-balancing items such as War Risks Insurance premia, Cotton Fund and the collections under the Sugar (Temporary

[Sir Jeremy Raisman.]

Excise) Ordinance, 1943. The problem of evacuees from Burma, Malaya and other enemy-occupied territories continues to engage the attention of the Government. The scheme of financial assistance to evacuees and the families in India of British subjects detained in enemy-occupied territories has been continued during the year. The organisations set up in the Provinces have been further strengthened and efforts have been particularly directed to the finding of employment for the large number of refugees still unable to support themselves. These measures are estimated to cost Rs. 2.92 crores in the current year, an increase of about Rs. 2 crores over the budget provision.

24. In my last Budget speech I mentioned that a review of Civil Defence policy was being undertaken. The savings in the current year's budget did not, however, materialise and we had to incur certain unforeseen expenditure in the North-East. The revised figures for 1943-44 are consequently Rs. 49 lakhs in excess of the budget. In the light of the improved war situation a further review was made in November last. A. R. P. activities have now been closed down in about two-thirds of the 346 towns in which precautions of varying degree had been in force and the estimated expenditure for 1944-45 is nearly Rs. 1½ crores less than the revised figures for the current year.

25. In co-operation with the provinces and States, the Government of India have intensified their efforts in the prosecution of the 'Grow More Food' campaign, and have assisted schemes either by loan or grant to an extent of well over Rs. 2 crores. Such schemes include the distribution at concessional rates of improved seed and manures, irrigation projects promising quick returns and the provision of additional agricultural staff.

26. The Revised Estimates include provision for a grant up to Rs. 3 crores by way of Central assistance to Bengal in meeting the heavy expenditure the Province has been called upon to bear on famine relief. Without attempting to assign causes or to impinge on the strict constitutional allocation of financial responsibilities, we feel that the calamity which has overtaken large areas of the Presidency is so unique and of such magnitude as to justify a substantial contribution from Central resources both this year and next. The actual amount of the grant in each year will be a proportion of the booked expenditure under certain famine heads.

27. I would mention here that the Government have recently carefully considered whether the somewhat uneven effects of the impact of war on provincial finance called for temporary modification of the manner in which the provincial share of the divisible income-tax pool is allocated between the provinces as prescribed in paragraph 5 of the Government of India (Distribution of Revenues) Order, 1936. A full examination of recent developments in the finances of all provinces led to the conclusion that, although some provinces are clearly in a more prosperous condition than others, the situation is not such as to call for modification at present, and that such action would have an unsettling effect. This view is shared by the Secretary of State.

There is one other matter in the field of provincial finance calling for comment. Some time ago the Sind Government advanced a proposal for setting off the capitalised value of the subvention prescribed for them in the Schedule to the Distribution of Revenues Order in Council against the outstanding balance of the Lloyd Barrage debt, the remainder of the debt to be defrayed from Sind's free balances. Owing to the high level of agricultural prices, land values have risen very considerably and sales of land in the Barrage area have accelerated to a pitch which the original estimates could not possibly have foreseen. Further, it has been found possible to fix larger initial purchase instalments and to reduce the number and amount of subsequent instalments. This excess of present receipts over estimates will be reflected in a fall in receipts in the later years of the repayment scheme. It therefore seems desirable to recognise the change in conditions which has occurred since the original repayment scheme was devised, and the Government of India have supported the proposal to the Secretary of State, who is now taking the steps necessary

THE BUDGET FOR 1944-45

to secure an amendment to the Schedule to the Distribution of Revenues Order in Council. Under the arrangement proposed the subvention will be capitalised at 4½ per cent per annum, the rate of interest borne by the Barrage debt. It is a remarkable index of the financial prosperity of Sind that she is now in a position to repay the balance of some Rs. 5½ crores required to complete the transaction. The extinction of this large provincial liability, with all that it means for the people of Sind, will be a major example of the salutary process of debt repayment which is now going on, and which is a welcome compensation for some of our other economic ills.

28. I referred last year to the problems of the increased cost of living and its bearing on Government servants. With the approval of the Standing Finance Committee we last revised our scheme of dearness allowance in June 1943 when we further increased the rates and raised the limits of pay up to which the allowance is admissible. We are now considering a measure of further liberalisation. Under the existing scheme we expect to spend this year on this object, in respect of Central Government servants other than those paid for from Railway and Defence Estimates, almost Rs. 2½ crores. In accordance with our general anti-inflationary policy, which favours the provision of cheap supplies wherever practicable, we have readily extended to Central Government servants the benefits of schemes adopted, to secure this object, by the Governments of Assam, Bengal, Bihar and the U. P., and have made similar arrangements involving concessional prices for certain foodgrains to our employees in Delhi and Simla on pay not exceeding Rs. 300. These measures are likely to cost, this year, about Rs. 41 lakhs. We prefer, however, to tackle these problems by measures of wider applicability, which affect living conditions throughout the country.

29. The House is already familiar with the various control measures, both in the financial and the commodity field, which have been brought into operation since my last Budget. I would here refer to the activities of two Departments of Government which have been concerned mainly with the enforcement of commodity controls. It is clearly of no avail to attempt to stabilise the prices of the other elements which go to make up the essential minimum requirements of the people, if the most important element, namely food, is left free to exert an uncontrolled pressure on the general price structure. The acceptance of the principle of the statutory control of food prices as an integral part of the general policy designed to stabilise the economy of the country has, as Honourable Members are aware, been achieved only with the greatest difficulty. The experience of the past year has clearly shown that shortages of food, as of other commodities, are created as much by psychological as by physical factors and that the controlled distribution of food-grains at reasonable prices can only be secured by the planned movement of surpluses supported by urban rationing and price control. The Government of India have announced their intention of proceeding towards all-India statutory price control by way of provincial and regional controls as well as the extension of urban rationing all over India. Substantial progress has already been made towards both objects and we are determined that no local or sectional interests shall be allowed to obstruct the execution of a policy essential for the well-being of the country as a whole. To support this policy, further imports of food-grains from abroad have been arranged and these have been arriving regularly since the middle of October last.

Thus, as far as actual physical shortages of food are concerned, there has been much improvement, and this should help to restore confidence, strengthened in the cities by the knowledge that, through rationing, everyone will receive a fair share of available supplies. At the same time it is the intention that the primary producer shall obtain a fair price for his crop and, what is more, a fair return in terms of the things which he has to buy. We may therefore hope that the factors which a year ago led to speculation and shortage will cease to operate and that with the growing realisation of the Government's determination and ability to control the situation, confidence will be fully restored.

30. I turn now to civil supplies other than food. In this sphere the measures which have been taken by the Department of Industries and Civil Supplies

[Sir Jeremy Raisman.]

have resulted in a very considerable easing of the situation. In regard to cloth, the most urgent requirement of the country after food, agreement was secured in June 1943 with the cotton textile industry to a scheme which brought the whole of the production of this country under control. This was combined with a large measure of rationalisation through the manufacture of Standard Cloth to the extent, if necessary, of 2,000 million yards, and with measures calculated to bring hoarded stocks back into the market. Ceiling prices were fixed for all cloth going into the civil market, and steps taken to prevent its being hoarded. These measures were rendered effective by the co-operation of the industry, without which the task would have been immensely more difficult, and have not only secured a reduction in retail prices of the order of 40 per cent. but have reassured the consumer that he will not again be exposed to the merciless exploitation of last year. This feeling has been confirmed by the recent further reduction in retail prices. Another vital need of the country is an adequate supply of drugs and medicines at reasonable prices. Here the problem was different because India's production is inadequate to her requirements and she must rely largely upon imports. Increased supplies have been arranged and are already beginning to come in. Their distribution and price are regulated under the Drug Control Order of November 1943. These measures have already yielded valuable results and there is every reason to expect that the situation will continue to improve. Apart from the equitable control of the price and distribution of existing stocks and an increase in imports, Government have also endeavoured to secure wherever practicable the release on a more generous scale of indigenous supplies hitherto mainly reserved for defence requirements. Twenty five per cent. of the Indian output of woollen clothing for defence requirements is now being released for the civilian consumer, and steps are also being taken to make similar releases of capacity for the manufacture of footwear.

The measures I have described were intended to relieve the situation in respect of specific vital commodities, but there remained a thousand and one other consumer goods which were placed out of the reach of the ordinary man by the anti-social practices of profiteering and hoarding. To combat these it was necessary to frame an all-embracing enactment, designed generally to lower prices and to ensure that such supplies as are in the country are made freely available to the consumer. The results hitherto of the Hoarding and Profiteering Ordinance cannot be regarded as unsatisfactory, but its complete success must ultimately depend on the full co-operation of the general public.

31. In the activities of the Supply Department since my last Budget Speech, two important changes have occurred, in the setting up of an organisation for Aircraft and one for Salvage and Disposals. The latter has been established to effect a more rapid and widespread civil utilisation of military salvage as well as of other classes of salvage and of surplus stores, and to be the foundation of a post-war Disposals Organisation. The importance of utilising salvage as a means of husbanding our resources during the war needs no emphasis, and already large quantities of scrap and unserviceable stores are being economically absorbed. It will be even more important to ensure that the disposal of the vast quantities of surplus military stores which will be released at the end of the war is effected in an orderly manner.

The value of the orders placed by the Supply Department rose from Rs. 184 crores in 1941-42 to Rs. 256 crores in 1942-43 and was Rs. 129 crores in the first nine months of 1943-44. The increase during the last two and a half years does not, unfortunately, reflect simply the rise in the volume of supplies secured. The Supply Department has not escaped the fate of other consumers and has had to pay steadily rising prices for its purchases over this period. There has been some falling off in demands in certain lines, as I forefield will be greatly lightened in 1944, the demands for certain types of supply will continue to decrease gradually. This will afford an opportunity of diverting orders to other uses, and, together with the measures which are

being taken to control prices will lead, I hope, to a reduction in the cost of our supplies. It will at any rate make it easier to hold out for narrower margins of profit on war orders, which we have always wanted, but have not always been able to achieve.

32. This concludes my general review of the current year and it only remains for me to summarise the final position.

Our revised estimates for revenue show an improvement of Rs. 35.50 crores while there is a net increase of Rs. 87.34 crores under expenditure charged to revenue. We thus expect to close the current financial year with a revenue deficit of Rs. 92.43 crores.

Financial Year 1944-45

Revenue

33. I shall now deal with the financial year 1944-45. Our total revenue estimates amount to Rs. 284.97 crores as compared with Rs. 254.50 crores in the Revised Estimates for the current year. Anticipating that more shipping space for imports will be available next year we have placed the estimate under customs revenue at Rs. 27 crores against Rs. 25.94 crores in the current year. Under Central Excise Duties the estimates for next year allow for an improvement of Rs. 1.25 crores. Under 'tobacco', where the experience gained has enabled us to improve the efficiency of the administrative machinery, we expect to collect Rs. 10½ crores as compared with Rs. 9 crores in the current year.

Taking into account the trend of recent collections, we are providing for a total of Rs. 174 crores under Corporation Tax and Income-Tax. This includes an expected yield of Rs. 78 crores from E. P. T. The divisible pool of income-tax has been taken at Rs. 56.38 crores and the share available to Provinces will reach the high figure of Rs. 23.69 crores. Currency and mint receipts are placed at about the same level as the current year's revised estimate, while the contribution from Railways to general revenues has been taken at Rs. 31.37 crores. The revenue of the Posts and Telegraphs Department is expected to be Rs. 27.92 crores and expenditure Rs. 16.61 crores. Our estimates of expenditure for next year make provision for the transfer of an extra Rs. 1 crore to the Renewals Reserve Fund in view of the large outlay on the Tele-communications scheme. Even after this transfer, the surplus is estimated at Rs. 11.31 crores, the whole of which will accrue to general revenues.

War Risks Insurance premia which, as the House is aware, are taken to Revenue in the first instance, and later transferred to the relevant Funds, are expected to decrease by about Rs. 4 crores in the coming year owing to the lowering of the rate of premium.

Expenditure

34. *Defence Services.*—The budget estimates of defence expenditure for 1944-45 amount to Rs. 276.61 crores and Rs. 24.60 crores under the Revenue and Capital heads respectively. The details are as follows:—

Revenue portion		In lakhs of rupees.
(1) Basic Normal Budget		36.77
(2) Effect of rise in prices		15.05
(3) India's War Measures		215.58
(4) Non-effective charges		9.21
Total		276.61
Capital portion		
(1) Air Force—Airfields		10.00
(2) Capital outlay on industrial expansion		2.00
(3) Reciprocal Aid—Airfields		5.20
(4) New Construction for the R. I. N.		1.60
(5) Capital outlay on Tele-communications scheme		5.80
Total		24.60

[Sir Jeremy Raisman.]

35. In the revenue portion the increase of Rs. 2.04 crores over the Revised Estimates in item (2) is due partly to the fuller operation of the enhanced price levels and partly to the fact that the improved scales of rations to Indian troops introduced in July 1943 will be effective throughout 1944-45. In regard to item (3) the increase of Rs. 11.05 crores as compared with the Revised Estimates is the net result of large increases and decreases. The increases are mainly due to the two causes just mentioned, to provision having been made throughout the year for the full air force ceiling strength, and to increased supplies and services expected to be rendered by India to the U.S.A. on Reciprocal Aid terms. These increases are partly counterbalanced by reductions in expenditure as a result of anticipated despatches of troops overseas and a decrease in army works. The receipts to be realised during 1944-45 on account of lend-lease stores supplied to Provincial Governments, Railways, the Posts and Telegraphs Department and other paying indentors, have been roughly estimated at Rs. 10 crores.

The increase of Rs. 88 lakhs in non-effective charges reflects mainly the effect over a full year of the increases in small pensions sanctioned from November 1943.

36. The decrease of Rs. 13.70 crores under the Capital portion of the budget estimate as compared with the revised is due mainly to the completion in 1943-44 of the bulk of the airfields construction programme for the British and American Air Forces in India for the cost of which India is liable. A reduction during 1944-45 in the Capital expenditure on expansion of factories, dairy farms etc., is also anticipated. The Tele-communications scheme is expected to be nearly completed during the coming year.

37. In my last budget speech I referred to the possibility of India's entering into a direct Mutual Aid Agreement with the U. S. A. After preliminary discussions it was agreed to suspend these negotiations in view of the difficulty of determining India's post-war policy in certain respects at this stage. The Government of India nevertheless have accepted the principles underlying Mutual Aid, and continued to receive lend-lease goods and services from the U. S. A., and to grant Reciprocal Aid in return. This Reciprocal Aid now takes three main forms:—

(a) Reciprocal Aid to the U. S. forces in India in the shape of rations, clothing, ordnance and other stores, the construction of accommodation, airfields and connected works, and the provision of transportation, communication and maintenance facilities of various kinds.

(b) Reciprocal Aid to U. S. shipping using Indian ports, in the shape of port dues of all kinds, ship repairs, and so on.

(c) Available raw materials and available foodstuffs such as tea, required by the U. S. Government directly for war purposes.

The arrangements for granting Reciprocal Aid of the first two kinds are working smoothly, but the administrative arrangements governing Reciprocal Aid for raw materials are still being worked out.

38. The estimated cost of Reciprocal Aid to be afforded to the U. S. A. on present information during the years 1943-44 and 1944-45 is about Rs. 26 crores

6 P.M. and Rs. 43 crores respectively and provision has been tentatively included in the Revised and Budget Estimates of the years concerned for these sums. The total cost of such aid up to the end of 1942-43 was Rs. 124 crores so that the estimated progressive total amount to the end of 1944-45 is a little more than Rs. 81 crores.

It is not possible at present to say what the total financial benefit that India will receive as a result of lend-lease supplies from the U. S. A. during the same period will amount to, because the allocation of lend-lease goods and services received in India between the Government of India and H. M. G. has not yet been determined. Assuming that lend-lease goods and services continue to be received in India at approximately the same rate as is obtaining now, the total value thereof up to the end of 1944-45 may be estimated to be of the order

of Rs. 350 crores. The allocation of these benefits between H. M. G. and the Government of India is a matter of great complexity since it can only be based on the actual use to which the goods and materials will have been put and the classification of that use in terms of measures for which H. M. G. and India are respectively liable. On such investigation as we have been able to make up to the present it seems reasonable to assume that India's share in these benefits will not be less than one-third. For the reasons explained last year, however, any estimates of Reciprocal Aid and still more those of lend-lease must be taken with very considerable reserve.

Civil Estimates

39. Civil expenditure shows an increase of about Rs. 2½ crores as compared with the revised estimates of the current year. As, however, there will be a reduction of about Rs. 4 crores in the amounts transferred to War Risks Insurance Funds consequent on the reduction in the rate of premium, the real increase is about Rs. 6½ crores. It accrues mainly under the head Interest, our liability for which increases with our increased borrowings and the success attending our savings campaigns. The full effect will begin to be felt next year and our interest payments are likely to increase by about Rs. 9 crores. Honourable Members will find full details of the variations under other items in the Explanatory Memorandum. I shall only mention here a few of the more important ones. We are including provision for a contribution up to Rs. 1½ crores towards Bengal's expenditure on famine relief. An extra sum of Rs. 50 lakhs is being provided for food production, and Rs. 68 lakhs for residential accommodation for ministerial staff in Delhi. There will be a reduction of about Rs. 1½ crores in Civil Defence.

40. In connection with industrial research we have made provision for a grant of Rs. 10 lakhs for the construction and equipment of glass and fuel research laboratories and for general planning for other institutions. The Council of Scientific and Industrial Research has done valuable work within the limits of the funds allotted to it by Government, and the Government of India have now agreed to the Council drawing up plans for a co-ordinated scheme for the advancement of research on the assumption that Rs. 1 crore will be forthcoming towards capital expenditure on a chain of research institutions. The institutions in contemplation, in addition to the two I have mentioned, are a National Physical Laboratory, a National Chemical Laboratory and a National Metallurgical Laboratory. The balance of Rs. 1 crore will be spread over a period of three or four years after the cessation of hostilities. This step will, I am sure, be regarded as a practical expression of Government's resolve to foster the development of Indian industry and should at the same time serve as an incentive to private enterprise to come forward and support industrial research. A handsome beginning has already been made by the Tata Trust, whose enlightened liberality in matters of this kind I gladly take this opportunity to acknowledge; they have now increased their promised donation of Rs. 8.80 lakhs towards a National Chemical Laboratory by a further Rs. 11.70 lakhs towards the proposed National Metallurgical Laboratory, making Rs. 20 lakhs in all.

41. I can now summarise the position for the coming year. The expenditure detailed in the Civil Estimates comes to Rs. 86.57 crores and the provision for Defence Services has been placed at Rs. 276.61 crores. Our total expenditure estimates thus amount to Rs. 363.18 crores. The total revenue at the existing level of taxation is estimated at Rs. 284.97 crores. We are thus left with a prospective revenue deficit of Rs. 78.21 crores.

Ways and Means

42. I now come to what has always been called the ways and means position. That now imports a much larger and more complicated problem, nothing less than the release and absorption of general purchasing power throughout the country. Here as elsewhere great public attention has been focussed on it. We have all become conscious of the dangers of inflation, an awareness which has been heightened by the series of anti-inflationary measures which

[Sir Jeremy Raisman.]

Government themselves have launched and which are in operation today, contributing in various ways and degrees to the desired result.

In every country at war the essential problem is the same. Goods and services are mobilised for the common end by a vast outpouring of Government money, and unless this is systematically reabsorbed on an adequate scale, it exercises an ever-increasing pressure on the reduced supplies available for civilian consumption. The effect on prices may be mitigated to some extent by controls and by rationing, but these must be accompanied by measures to reduce the abundance of purchasing power. In India the problem takes a special form, because rather more than half of the war expenditure in this country is incurred by H. M. G. and other Allied Governments. It is true that the expenditure debitable to the Indian Budget has been fully met by taxation and borrowing throughout the period of the war. In that sense there have been no uncovered budgetary deficits, though there have, of course, been revenue deficits which have added to the permanent debt. But what matters from the point of view of preventing inflation is that the re-absorption of purchasing power should be adequate to the total Government outlay, and our troubles have arisen from the fact that we have not at all times been able to raise sufficient rupees from the market to finance the recoverable war expenditure. The rupees issued to fill the gap have, of course, been backed by sterling assets, but since these are, during the continuance of war conditions, largely incapable of being converted into goods, the increase of free purchasing power in the country has had inflationary effects. It was for this reason that I emphasised last year the supreme importance, for the maintenance of our own economic health, of more and more borrowing. It cannot be repeated too often or too widely that in their own interest the people of a country at war must "save and lend". I shall have more to say later on this topic, but meanwhile it is of interest to review the course and extent of Government borrowing during the last year.

43. Thanks to sustained propaganda and special efforts throughout the country, and helped undoubtedly by the favourable turn in the progress of the war, we have succeeded in attracting, by various forms of public borrowing, a sum nearly three times as large as the total of the previous year. The subscriptions to the Defence Loans during the period beginning with the 1st February 1943 and ending with the 31st January 1944 amounted to a record figure of Rs. 115 crores. The third Defence Loan, 3 per cent. 1951-54, which was closed on the 30th June 1943 amounted to Rs. 55 crores, the amount subscribed from the 1st February to the 30th June being Rs. 23 crores. The total subscriptions to the fourth Defence Loan, 3 per cent. 1953-55, within a period of about seven months have been Rs. 81 crores, i.e., at the rate of over Rs. 11 crores a month. In May 1943, a special issue of 3 per cent. Defence Bonds 1946 for Rs. 20 crores was announced to assist in the funding of the liabilities created in connection with the acquisition of railway debentures. The total sales of this issue now aggregate Rs. 19 crores. A further special issue of 3 per cent. 1963-65 was made in July and fetched Rs. 15 crores. In October 1943, an issue of 3 per cent. Funding Loan 1966-68 for Rs. 25 crores was made of which Rs. 20 crores were taken up by subscription and the balance of Rs. 5 crores was subsequently sold through the Reserve Bank. Recently a further issue of Rs. 50 crores of this loan has been made and about Rs. 4½ crores have already been sold. It was announced in August that to assist in the funding of the liabilities connected with the acquisition of 2½ per cent. and 3 per cent. undated Sterling Stock, counterparts of 3½ per cent. paper would be created to the aggregate value of these two loans and would be sold through the Reserve Bank. There was considerable demand during the year for counterpart loans, mostly for 3½ per cent. Paper, the total amount invested in such issues during the period 1st February 1943 to 31st January 1944 being Rs. 93 crores against Rs. 36 crores for the corresponding period last year. As was

the case last year, about Rs. 8 crores of new money was subscribed to certain provincial loans floated to enable the provinces to repay a part of the consolidated debt due to the Centre. All these investments total Rs. 279 crores over the last 12 months which compares with Rs. 93 crores for the same period last year and an aggregate of Rs. 547 crores since the beginning of the war. This means that during the last twelve months we have been able to raise a little more than half the total amount raised since the beginning of the war. Premium bonds in denominations of Rs. 10 and Rs. 100 carrying no interest but in respect of which half-yearly prizes, representing a rate of interest to Government of 2 per cent. per annum, will be allotted, have been issued from the 15th of January. It is too early yet to attempt to estimate the probable yield of the issue.

44. In the important field of small savings, thanks in no small measure to the energetic co-operation of several provinces, which I gratefully acknowledge, there has been a welcome improvement. Whereas in 1941-42 and 1942-43 transactions in all forms of small savings resulted in net withdrawals by the public totalling Rs. 14 crores and Rs. 3½ crores respectively, they are now yielding net deposits at the rate of over Rs. 2½ crores a month and still show a marked upward trend. As from the 1st October the Post Office Ten-Year Defence Savings Certificates were replaced by Twelve-Year National Savings Certificates, which are unencashable for the first three years but which yield to maturity nearly 3½ per cent. per annum compound interest free of income-tax. From the same date the rate of interest on Post Office Savings Bank Deposits was raised from 1½ per cent. to 2 per cent. per annum. Much of the excess purchasing power today is passing into the hands of those who are unaccustomed to investing in Government loans and it is important that as much of this as possible should be drawn off. For this express purpose a National Savings Commissioner was appointed last autumn broadly to direct and control the small savings movement from the Centre. A scheme has now been evolved which provides for the employment of authorised agents on a commission basis whose function will be to collect money for investment from villagers, purchase certificates on their behalf and deliver them in the villages. The scheme also provides for the appointment of centrally paid staff to assist provincial authorities, the establishment of savings bureaux in all important towns and for extensive publicity and propaganda designed to promote saving and investment. An honorary lady organiser has also been engaged to enlist the help of women's organisations. The scheme has been accepted by most provinces and is now getting under weigh. With the co-operation and backing of Provincial Governments we may hope for substantial results.

While we may take comfort from the encouraging response to the efforts which were continued throughout the year to attract support to public loans, it must be recognised that we have still a long way to go to achieve our purpose. The aim of our borrowing is not merely to meet our budgetary deficits but also to bridge the inflationary gap and, as we shall see later, there is no reason why if the necessary concomitant steps are taken, we should not attain this target.

45. I have referred before to the variety of anti-inflationary measures that we have introduced. These are partly in the nature of physical controls and partly in the nature of direct monetary regulations. The object is, briefly, on the one hand to restrict spending on the limited supply of consumer goods by the public, and, on the other, to canalise the neutralised purchasing power into Government securities direct, or at least into activities such as the production of consumer goods which tend to alleviate the present scarcity or which will have a definite salutary effect in the immediate post-war period. *Pari passu*, the importance of increasing production and supplies has been recognised, and wherever circumstances permit, supplies are increased by import or production of suitable articles to satisfy irreducible public requirements.

[Sir Jeremy Raisman.]

In the matter of physical controls, the Government is handicapped by difficulties the nature of which is not always realised. It is not merely the vast size of the country and the educational backwardness of the general population; but it is also a question of the sufficiency of experienced and capable personnel. Our main difficulties unquestionably arise from the lack of adequate personnel for operating the large variety of physical controls that are in operation, or that should be brought into operation. Nevertheless it is the Government's firm intention to take all possible steps to increase the effectiveness of the measures they have already adopted and to extend control in such further directions as the situation may from time to time demand.

46. In the monetary field we are faced with a difficulty of another kind, and that is, that a large proportion of the purchasing power arising out of Government disbursements finds its way into the hands of classes which are not used to investment in Government securities, and whose outlook can only be changed by sustained persuasive and educative effort. In rural areas, of course, stress is first laid on the desirability of repayment of debts to the Government, Co-operative Banks and private individuals and it is most gratifying to observe that a good deal of progress appears to have been made with the reduction of the burden of agricultural debt.

47. So far as the investment-minded public is concerned, namely, institutional investors and the urban public generally as well as the indigenous credit agencies in the rural areas, we have endeavoured to devise a range of securities to meet every variety of demand. The Government are convinced that the further step suggested in certain quarters, namely an enhancement of the rates of interest would be infructuous and is fraught with the risk of heavily mortgaging the future development of the country, apart from its immediate ill-effects on the balance sheets of institutional investors, who have for the last four years steadily supported the securities market. Nor can I see any advantage in the proposal that any other Allied Government should enter the field as a direct borrower, substituting its credit for that of the Indian Government. It has never been claimed, nor is it likely to prove true, that such a substitution would assist in persuading the rural investor to change his attitude towards investment in Government securities.

48. At this stage I may mention one other important anti-inflationary measure which has attracted public attention. I refer to the sales of gold which the Reserve Bank has been conducting for the last six months. These sales afford an age-old alternative to those who do not, for one reason or the other, wish to invest in Government securities, notwithstanding the advantages of the latter over investment in gold. As I said in reply to a question in this House earlier in the present session, the gold has been provided by H. M. G. and the Government of the U. S. A. from their own resources and the sale proceeds have been used by them towards their war expenditure in India. The import of this gold has thus usefully reduced the gap between India's exports and the restricted imports of other commodities which are available in present circumstances, and by its direct effect in absorbing surplus purchasing power, as well as by its less direct influence, has materially supplemented the other measures which we have been taking to counter inflation and check the rise in commodity prices.

49. Now I come to the other facet of the same problem, namely, the accumulation of sterling and the possibility of utilising this to the best advantage of the country, or what is sometimes called, the transfer problem. Our sterling credits continued to grow during the year on account of the recovery of war expenditure from H. M. G. and Allied Governments and the purchases from the market, resulting from the current trade surplus. Allowing for receipts and payments during the remaining month of the financial year, it is estimated that the holdings of the Reserve Bank as on the 31st March, 1944, will be approximately Rs. 950 crores.

The question of these large balances continues to engage Government's earnest attention. So far as concurrent utilisation is concerned, the possibilities of repatriation of our public debt have very nearly been exhausted as the year saw the final stage of the programme of repatriation. The 3½ per cent. Railway Debentures, for which notice of redemption was given last year, were redeemed on the 4th February, 1944, the amount paid being £8.8 millions. Stray parcels of the Government of India's sterling stock, both dated and undated, and of Railway Debentures bought and cancelled during the current financial year amounted to £3 millions rupee finance being provided by Government from their balances. Including dated and undated Government of India Stocks, Railway Annuities, Railway Debentures, purchase of railways and one-fourth of the Chatfield debt, the total amount of our sterling obligations redeemed to date is about £350 millions. The sterling liabilities now outstanding consist of the comparatively small amount of £11½ millions of Government of India Stock and Railway Debentures. These amounts represent holdings which either fell outside the scope of the Vesting Orders or in regard to which there has been delay in surrendering the scrip for redemption.

50. In my budget speech last year I said that while it was difficult to state with precision to what extent the funding of the floating debt for the purposes of repatriation had been achieved, the broad position was that Rs. 160 crores could be regarded as being in the form of Central Bank finance. I am glad to be able to inform the House that, mainly as a result of the operations already mentioned, this excess has now been reduced to only Rs. 20 crores, which is roughly equivalent to the amount by which the rupee securities held by the Reserve Bank in its Issue Department exceed the corresponding figure at the outbreak of the war. As a further measure of residual repatriation, arrangements have been made for the acquisition of the Madras & Southern Mahratta Railway and the South Indian Railway on the 1st April, 1944, i.e., 21 months in advance of the date when we would be entitled to do so under the agreements with the Railway Companies. These operations will absorb a sum of approximately £6 millions.

51. As the House is aware, discussions have been taking place in Washington from time to time in regard to the British and American and other plans that have been put forward for international monetary regulation in the post-war period. These discussions have so far been at the technical level without implying any commitments on the part of the Governments of the countries represented. India has not so far been directly represented in these conversations though we have been kept fully informed of their progress by our Agent-General in America and by H. M. G. The Government have invited opinions in this country on the proposals and the subject has recently been discussed in the General Policy Committee for Reconstruction. After an opportunity has been afforded for discussion in the Legislature, Government will be in a position to formulate their views. It is expected that in due course a conference of all the United Nations will be convened at which India will be represented. It is patent that one of the problems that will confront the world in the post-war period will be the orderly liquidation of balances acquired by various countries during the war and in considering whether India should lend her support to any scheme that may be put forward for international monetary regulation, one of the major considerations will naturally be the extent to which such a scheme assists in providing a solution for problems of this character.

52. This is an issue the outcome of which it is not possible to prejudge at the present stage. Yet it is a matter of peculiar interest to this country, faced as it will be after the war with the urgent necessity of raising its extremely low standard of living. For this purpose plans for reconstruction and development, including a forward policy of industrialisation, are now being laid. The early implementation of these plans will, however, be dependent to no small extent on external finance. This aspect of India's post-war problem was discussed with H. M. G. in connection with the acceptance by India of the

[Sir Jeremy Raisman.]

general principle of the extension of reciprocal aid to raw materials and food-stuffs. H. M. G. fully sympathise with the desire of the Government of India to make such advance provision as may be practicable during the war for the requirements of post-war development. The House will be gratified to know that H. M. G. have agreed in this connection, and as an integral part of the reciprocal aid arrangement, to set aside each year from now onwards a part of the dollars accruing from India's exports to the U. S. A., apart from and in addition to our current dollar requirements which are met from the Empire dollar pool under the usual sterling area arrangements. These amounts will be held in a dollar account by the Reserve Bank of India with the Bank of England and will thus be immediately available for India's development purposes after the war.

POST-WAR PLANNING

53. This is perhaps the most suitable stage for me to say a few words on the financial aspect of post-war planning. I have been dealing with magnitudes large in the perspective of Indian finance, and this in itself seems to provide a bridge between the limitations of the past and the larger future. Indian public opinion, in striving to outline that future, is also thinking in figures of an order which would have frightened an older generation. Let me say at once that I fully recognise that if any effective development is to take place, large amounts are bound to be involved, but this is equally true of war. But perhaps closest resemblance between war-finance and reconstruction finance is this: they both involve, and necessarily involve, a continuously high level of taxation, as well as of borrowing, if the objective is to be attained. It is true that if the investment is wisely carried out, we may expect from development expenditure both an increase in the real income of society and an increase in the taxable capacity of the country, but we cannot overlook the fact that some forms of investment will never be able to pay for themselves in the literal sense of being financially self-supporting. This is obviously true of two forms of effort which must inevitably bulk large; public health expenditure and expenditure on education. In the phase of expansion, very heavy capital outlay will be involved, and once the desired level has been reached, there will be a heavy recurrent charge, a large proportion of which will inevitably fall upon the general budget of the Centre and the Provinces. It is indisputable that the nation will greatly benefit by such capital and recurrent expenditure; but it is equally beyond doubt that the annual recurrent cost cannot be met out of taxation levied from the direct beneficiaries themselves. A heavy residual budgetary charge will remain.

54. That brings me to another point. We may hope, and legitimately hope, that the provision of capital equipment from overseas will be powerfully assisted by our possession of large sterling balances. We must not, however, ignore the difficulties which are likely to arise, in at least the first post-war decade, from competing claims for capital equipment and from transfer difficulties associated with the balance-of-payments position of the United Kingdom. Again, to utilise the whole of these balances and at the same time the whole increment of foreign funds accruing from current exports, would leave India with a wholly fiduciary currency. A note-issue with nothing behind it except the authority of the Government is exposed to all the winds that blow, and some of them might be very adverse indeed—a failure of the monsoon, or a world-depression or a renewed threat of war might easily lead to a flight from the currency or to a demand for foreign exchange which it would be very difficult to satisfy. Some external reserves seem to me to be absolutely indispensable, and, therefore, it is unrealistic to assume that foreign balances, actual or prospective, could in any circumstances be fully available for reconstruction finance.

55. I have no wish to enter into controversy regarding certain aspects of the plan which a number of prominent businessmen have recently put out in the desire to focus discussion and to provide a nucleus for constructive thinking. I am, however, bound to confess to a feeling of misgiving regarding the extent to which the financing of post-war development could be based on "created

money". I realise fully that an expansion of the currency in peace time, during a period of rapid intensification of production, is a different thing from an expansion accompanying the enforced scarcities of war-time. But the difference between the initial effects may well be much less than has been suggested. In so far as development projects are concerned with capital investment, a time-gap will necessarily intervene between initial investment and final completion, during which time no addition to the national income in real terms will take place to offset the inflationary effect, and by the end of that time prices will already have risen. Again, if development projects such as education and public health are to be financed in this way, the effect will be still more marked. For although improved health and higher standards of education are important elements of national well-being, their influence on national production and on national income is of a more remote and indirect nature, whilst the influence on money-incomes and on demand created as a result of inflation will be direct. I must say in justice to the authors of this proposal that they are aware of the dangers involved and propose to counter these effects by drastic over-all controls imposed by a strong Central Government.

This would mean that the public, which has had perforce to submit to control in war time when the fact of shortage was inescapable, should accept the continuance of controls prolonged over a far longer period after peace returns. I am far from suggesting that the results to be achieved would not justify this degree of sacrifice. But could so comprehensive and drastic a control be effectively administered in the conditions of this country, with the internal inflationary pressure rising rapidly with each succeeding year? It would surely not be wise to force the pace of post-war development at the cost of imposing such severe limits on the standard of living during the development period, at the cost of further accentuating the disparities of wealth which inflation inevitably entails, or at the risk of a financial and economic collapse before the objective itself could be reached.

56. It is my firm conviction that the first pre-requisite of reconstruction finance is a sound financial position, both at the Centre and in the Provinces, secured by the fullest development of their respective taxation resources. This may perhaps sound pedestrian, but in the light of our experience of war-time finance there is no reason, given the will to find money for peace on the scale on which it has been found for war, why resources should not be forthcoming to an extent which could not possibly have been envisaged in pre-war days. Many Provinces have already started exploiting their revenue resources and building up reconstruction funds, as a result of which they will embark on the post-war period with an improved revenue position and a useful cash balance. This is a hopeful start, though there is still considerable room for extension; but the magnitude of the problem is so great that the Provinces will undoubtedly need all the financial assistance that the Centre may be in a position to give. I have recently brought under review the post-war budgetary position of the Central Government, in so far as the many uncertainties inherent in the conditions of the present and the future permit. The review indicates that, on the assumptions of a reasonably speedy rate of demobilisation after the conclusion of hostilities, the maintenance by concerted international effort of full production and employment, and a determination on the part of the Government of the day to utilise to the full the taxable capacity of the country, it might well be that, after one or two deficit years, revenue surpluses would emerge rising in the fourth or fifth year to the order of Rs. 100 crores per annum. With all-out borrowing continued in accordance with the technique developed during the war, it is by no means fantastic to visualise total resources for the purposes of reconstruction during the first effective quinquennium approximating to the Rs. 1,000 crores level; and this excludes any estimate of direct private investment. Beyond that I would prefer at this moment not to attempt to dip into the future, although it would be reasonable to assume that estimates for the subsequent five-year periods could be related to the actual results of the first quinquennium in a sort of geometric progression.

[Sir Jeremy Raisman.]

57. The immediate task of investigation and planning is already well in hand, and some of the official reports and data which are now under the consideration of Government will shortly be released for the information of the public. These constitute the essential raw materials of any practicable plan of development, but equally important is the preparation of a sure foundation of sound finance capable of carrying with safety the edifice to be erected upon it. This edifice can itself be made both stronger and larger if the individual schemes of which it is composed are so designed as to be in their revenue aspect as remunerative as possible, and if high priority is accorded to such of them as can contribute directly to an increase in material wealth and prosperity and thereby reinforce the public revenues.

NEW PROPOSALS

58. Whether we approach the matter from the viewpoint of building the new India of our hopes, or from the viewpoint of mitigating the hardships and inequity of the immediate present, it is clearly our paramount duty to deal first with the menace of inflation. That danger cannot be said to be averted, nor can the upward movement of prices be regarded as securely arrested, so long as the total of our taxation and borrowing falls short of the total of rupee outgoings. The problem of closing this gap, or reducing it to innocuous proportions, has therefore to be tackled in a determined and systematic way. The Government's plan has three broad aspects. In the first place, we must control and stabilise the net over-all demand placed upon Indian resources, compensating as far as possible for any inevitable increases by imports of food, bullion or other capital and consumer goods. In the second place, we must step up in every way the rate of rupee incomings until it equals the rate of rupee outgoings. In the third place, we must maintain and extend our price controls. These three methods of attack must all be pursued concurrently, and experience has already shown that they are capable of yielding the desired results. Our calculations show that during the current year the gap between total incomings and total outgoings of rupees was of the order of Rs. 250 crores. In the light of the remedial measures which we have already taken, and assuming the continued operation of the favourable factors now at work, we hope for a substantial narrowing of the gap in the coming year. The proposals which I have now to make are designed virtually to close the gap, to check the insidious process which is capable of causing such unlimited misery to the people. It is an object worthy of sacrifice, and indeed without sacrifice greater hardships cannot be avoided.

59. The proposals are of two kinds, measures of ordinary taxation and measures of the nature of compulsory deposit. The most important of the latter is a provision for advance payments of tax on income from which tax is not now deducted at source. The income mainly affected will be income from property and from business, profession or vocation. The main outlines of the scheme, which is being put before the House in an Income-tax Amendment Bill, are as follows: An assessee will have the option to pay tax quarterly either on the basis of his last assessed income or on the basis of his own estimate of current earnings. Government will pay 2 per cent. interest on all sums paid in advance under the scheme but if the assessee's own estimate, which can be revised during the year, falls short of 80 per cent. of the tax determined on regular assessment, penal interest at 6 per cent. on the difference will be payable. No penal interest will be payable where the assessee chooses to pay on the basis of his last assessed income. To secure compliance with the scheme, certain provisions of the penalties section of the Income-tax Act—Section 28—are imported, and failure to make payments under the scheme will be treated as a default. Credit for tax paid under the scheme will be given to the assessee in the regular assessment. The sums collected will be treated not as revenue but as deposits to be taken to revenue when the regular assessments are made.

60. As regards Excess Profits Tax, our proposals make no change in the rate of tax, which remains at 66½ per cent. Nor do they make any change in the

proportion of the tax, namely one-tenth, which is to be repaid to the assessee. But the compulsory deposit of one-fifth of the tax which was prescribed in Ordinance No. XVI of 1943 is to be increased to 19/64 of the tax. The effect of this will be to immobilise as deposits the whole of the excess profits remaining after E.P.T. has been paid on them and income-tax and super-tax has been paid on the balance. This compulsory deposit has not hitherto been payable in connection with provisional E.P.T. assessments made under the provisions of the Ordinance. We now propose that at the time of the provisional assessment a compulsory deposit of 19/64 of the tax provisionally assessed shall be paid.

61. In regard to rates of Income-tax, we propose to give relief at the bottom of the scale by raising the taxable minimum from Rs. 1,500 to Rs. 2,000. In regard to incomes up to Rs. 10,000 no change is made but on the slab of income from Rs. 10,000 to Rs. 15,000 the Central surcharge is to be increased by 2 pies from 16 to 18 pies, in addition to the basic rate of 24 pies; and on the balance above Rs. 15,000 the surcharge will be increased by 4 pies from 20 to 24 pies, in addition to the basic 30 pies. This latter rate will, of course, apply to Companies and in every case where the tax is to be charged at the maximum rate. As regards super-tax, there will be an increase of half an anna in the Central surcharge on the slabs of income between Rs. 35,000 and Rs. 2 lakhs. Corporation tax will also be raised by one anna to a rate of 3 annas in the rupee but a rebate of one anna in the rupee will be given on so much of a Company's total income as is not distributed in dividends other than dividends payable at a fixed rate. A special provision is being made for Life Insurance business by which the combined rate of income-tax and super-tax is limited to 63 pies, which was the combined rate for Companies fixed by the 1942 Finance Act. It is also proposed to give retrospective effect to this provision for 1943-44. From these changes in rates the additional revenue is estimated at Rs. 8½ crores.

62. In regard to customs duties, we propose to continue for a further period of one year the emergency surcharge on the import tariff which has been levied for the last two years. I need hardly repeat, in the present context, that this is purely a revenue measure. The rate of the surcharge will again be one-fifth of the basic duties except in the case of tobacco and spirits, where it will be one-half. The additional receipts from the increased surcharge on tobacco and spirits, which will come into effect at once, are roughly estimated at Rs. 1 crore.

63. In the field of central excises there are important changes. We propose to increase the rates of duty on unmanufactured tobacco and on cigars and cheroots and to introduce three new taxes. The tobacco excise is, in India as in other countries, an almost unrivalled means of raising revenue, and is destined to play an important role in the financing of post-war development. The present modest rates of duty were adopted in the initial stage to allow of the building-up of the widespread organisation necessary for the operation of such an excise in so vast a country. Thanks to the efforts of the executive staff, the preliminary organisation has been completed more quickly than might have been expected and it is now possible to raise the duty to a more productive level. The opportunity has been taken to recast the scale of duties in a somewhat simpler form. The additional yield from the enhanced duties is estimated at Rs. 10 crores; they will take effect at once by virtue of a declaration under the Provisional Collection of Taxes Act.

64. The three new items which we propose to include in the Central Excise Tariff are betelnuts, coffee and tea and the rate of duty proposed in each case is two annas a pound. The arguments in favour of the excise on betelnuts are generally the same as in the case of tobacco; the total consumption is large and spread through all classes; it is not a necessity of life; and the average consumption per head is small, so that the impact of the tax on the individual will be slight. And since chewing tobacco is already taxed it is not unreasonable that a similar impost should be placed upon its rival. Betelnut has not been the subject of an agricultural marketing survey and full statistics of production are not therefore available, but on the data gathered by the central

[29TH FEB. 1944]

[Sir Jeremy Raisman.]

excise staff the total annual yield from the rate of duty now proposed is roughly estimated at Rs. 2 crores. Like the tax on betelnuts those on coffee and tea have been introduced in order to broaden the basis of indirect taxation. Both are suitable subjects for an excise duty and the one could hardly be introduced without the other. At the rates now proposed the two excises are together expected to yield a total sum of approximately Rs. 2 crores in the coming year.

65. The total estimated yield of our ordinary taxation proposals thus amounts to Rs. 23½ crores, reducing the prospective revenue deficit from Rs. 78.21 crores to Rs. 54.71 crores. But for anti-inflationary purposes we have to reckon the total effect of new measures of taxation and compulsory deposit, including the addition to railway fares, and this approximates to Rs. 100 crores. Together with all the other measures which are concurrently being directed to the same end, this will, we have every hope, firmly check the inflationary trend and facilitate the maintenance of all our controls. At the same time this programme will assist the preparations for post-war development, by providing for the regular building up by industry of the necessary reserves, as well as by fortifying permanently the revenue resources of the State.

66. In the last-named direction much still remains to be done. In particular the Provinces, on whom so large a share of the building of the future inevitably falls, will need expanded resources. We have therefore under active consideration the possibility of an estate duty on non-agricultural property, which would be levied by the Centre but of which the proceeds would be assigned to the Provinces. In spite of war-time taxation it is indisputable that enormous private fortunes have been made during the war aggravating the great inequality which already existed. Even on a modest programme vast sums will be needed for the post-war development of the country, and there is manifest justification for a system of death duties whereby these large fortunes will be laid under contribution. We have encountered, as we expected, certain initial difficulties, but we hope to overcome these and to be in a position to place a carefully prepared measure before the Legislature at a subsequent session. I have no doubt that such a measure would not only fill a gap in the fiscal armoury of India but could serve a great social end.

67. That brings me to the end of my story. The last five years have witnessed changes of a significance and magnitude which few indeed could have ventured to foretell, as India has been caught up ever more irresistibly in the rapid stream of world events. Who can doubt that she is destined to play a momentous part in the years ahead, when the last great effort has been crowned with victory, and men turn again to the fruitful tasks of peace?

THE INDIAN FINANCE BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move for leave to introduce a Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1944.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That leave be granted to introduce a Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1944." The motion was adopted.

The Honourable Sir Jeremy Raisman: Sir, I introduce the Bill.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move for leave to introduce a Bill further to amend the Indian Income-tax Act, 1922.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That leave be granted to introduce a Bill further to amend the Indian Income-tax Act, 1922." The motion was adopted.

The Honourable Sir Jeremy Raisman: Sir, I introduce the Bill.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 1st March, 1944.

LEGISLATIVE ASSEMBLY

Wednesday, 1st March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN:

Mr. Bhagwan Sahay, M.L.A. (Government of India: Nominated Official):

STARRED QUESTIONS AND ANSWERS.

MEASURES FOR INCREASING COAL OUTPUT.

273. *Mr. K. S. Gupta: (a) Will the Honourable the Labour Member please state the measures adopted to increase the output of coal to meet the bare necessities like train service and maintenance of indigenous industries?

(b) Is it a fact that service in the mines (coal) is highly injurious to health of the miners?

(c) Is it a fact that no special amenities are offered to coal miners to attract efficient and skilled workers to the service?

(d) Is it a fact that miners and their families are housed in insufficient and insanitary surroundings?

(e) Is it a fact that no medical aid and facilities for education of children are available in the coal mining areas?

The Honourable Dr. B. R. Ambedkar: (a) I would refer the Honourable Member to my reply to Sir F. E. James' starred question No. 82 on 10th February, which gives the principal measures which Government have adopted to increase the output of coal.

(b) No. Mining is a dangerous occupation but not necessarily injurious to health.

(c) No. Coalminers have been offered food at concession rates and Government are taking steps to increase the supply of consumer goods in the coalfields. It is proposed to increase the amenities offered to coalminers by measures taken under the new Coalmines Labour Welfare Fund Ordinance.

(d) In the Jharia and Raniganj coalfields housing consists of pucca buildings built in accordance with specifications laid down by the Jharia and Asansol Mines Boards of Health. In other coalfields the housing is arranged at the Miners' discretion for the resident labour which is usually very small. Government are, however, not satisfied with the present arrangements for housing and sanitation in coalfields and schemes to improve these are being prepared under the Coalmines Labour Welfare Fund Ordinance.

(e) Medical aid and educational facilities which at present exist are not very satisfactory. Schemes to improve these facilities are being prepared under the Coalmines Labour Welfare Fund Ordinance.

Mr. N. M. Joshi: Will the Government of India make some report to the Legislature on the conditions in coal mines with regard to housing and other conditions and also the improvements made by Government, and place that report before the House?

The Honourable Dr. B. R. Ambedkar: There is nothing to report upon, so far as I can see. We have just begun the work and if after some time this Ordinance has been in operation my Honourable friend wants to have a report I shall be quite prepared to consider the matter.

Mr. N. M. Joshi: The House is greatly interested in this matter and would like to have information about the conditions there and the improvements made. Will they, therefore, make a report to the House?

The Honourable Dr. B. R. Ambedkar: I have answered that already.

Mr. N. M. Joshi: The answer is unsatisfactory.

MEASURES FOR INCREASING COAL OUTPUT.

274. *Mr. K. S. Gupta: (a) Will the Honourable the Labour Member please state if it is a fact that there is dissatisfaction and discontent amongst coal miners for want of proper wages to meet the abnormal rise of prices in food-stuffs and other necessities of life?

(b) Is there any proposal to increase the output by resort to the continental or American methods of extraction?

(c) Is there any proposal to approach the Government of the United States of America to come to the aid of India by importing the necessary machinery and experts to modernise the methods of raising coal?

The Honourable Dr. B. R. Ambedkar: (a) Working conditions in mines have not been very satisfactory. Dissatisfaction and discontent under such conditions are quite natural.

(b) and (c). Every effort is being made to obtain mining machinery from abroad whether from the United Kingdom or United States of America, or elsewhere. Excavating machinery of relatively small size of American pattern is already being used in Railway collieries and the question of importing really heavy excavating machinery is under consideration. If such heavy excavating machinery is finally obtained, it may be found necessary to import also the operating staff as it might not be found possible to train Indians in time.

Mr. Lalchand Navalrai: With regard to part (a), have wages been increased to suit present conditions or are they getting the old wages?

The Honourable Dr. B. R. Ambedkar: They have been increased. I refer to the answer that I gave to the question asked by Sir. F. E. James.

Mr. Lalchand Navalrai: May I know if the same wages are paid to males and females?

The Honourable Dr. B. R. Ambedkar: Yes, that was also answered.

FAMINE CONDITIONS IN ORISSA.

275. *Mr. K. S. Gupta: (a) Will the Honourable the Food Member please state if it is not a fact that famine conditions still prevail in Orissa?

(b) Does he see the necessity of free kitchens in the distressed areas of the province?

(c) What are the measures proposed to be taken by the Provincial or the Central Governments to re-absorb the suffering people into rural economy?

(d) What is the number of destitute orphans found in Orissa due to the extreme poverty-stricken conditions prevailing throughout the province?

(e) How many orphanages are maintained by (i) the State, and (ii) by private and philanthropic agencies?

The Honourable Sir M. Azizul Huque: My information is that general improvement has been maintained except in some of the coastal villages of Ganjam. I have, however, made further enquiries of the Orissa Government, whose reply is awaited, and the information will be laid on the table of the House in due course.

MUSLIMS IN THE DEPARTMENT OF SECRETARY, CALCUTTA PORT TRUST.

†276. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state how many officers there are in the Department of the Secretary, Calcutta Port Trust, and how many of them are Muslims?

(b) What is the percentage of Muslims in the Secretary's Department of Calcutta Port Trust?

(c) Have any Muslim clerks or officers been engaged in the said Department during the last ten years? If so, how many?

The Honourable Sir M. Azizul Huque: With your permission, Sir, I will take up questions Nos. 276 to 280 together.

These questions should have been addressed to the Honourable Member for War Transport Department.

†Answer to this question laid on the table, the questioner being absent.

MUSLIMS IN THE ESTATE DEPARTMENT OF CALCUTTA PORT TRUST.

†277. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state how many officers there are in the Estates Department of the Calcutta Port Trust, and how many of them are Muslims?

(b) What is the percentage of Muslim clerks in that Department?

(c) Have any Muslim officers or clerks been appointed in the said Department during the last ten years? If so, how many?

MUSLIM EXECUTIVE ENGINEERS, ETC., IN THE CIVIL ENGINEERING DEPARTMENT OF CALCUTTA PORT TRUST.

†278. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state how many Muslim Executive Engineers, Engineering Assistants and Overseers there are in the Civil Engineering Department of the Calcutta Port Trust?

(b) Is it or is it not a fact that an overage Executive Engineer has been given four extensions? If so, is it in accordance with rules?

(c) Has this officer any recognised qualifications? If so, what?

MUSLIM DOCTORS, ETC., EMPLOYED IN THE A. R. P. DEPARTMENT OF CALCUTTA PORT TRUST.

†279. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state when the special A.R.P. Department was created in the Calcutta Port Trust?

(b) Who is the head of this Department?

(c) How many Muslim doctors, clerks and first aiders are employed in this branch?

PAUCITY OF MUSLIM OFFICERS, ETC., IN CALCUTTA PORT TRUST.

†280. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state the reasons for so low a percentage of Muslim officers or clerks in these Departments of the Calcutta Port Trust?

(b) Is it or is it not a fact that in the Calcutta Port Trust only such menial posts are given to Muslims for which Hindus are not readily available? If not, what are the real facts?

JAPAN'S PSYCHOLOGICAL WARFARE.

281. *Mr. K. S. Gupta: (a) Will the Honourable Member for Indians Overseas please state whether the Government of India have taken note of the following:

"Lord Wavell knows what we shall be up against in the reconquest of occupied Asia unless we can offer the people a programme more attractive than that of the Japanese. He knows how much depends on the invading armies receiving the active co-operation of the inhabitants. He has warned that the natives of South-East Asia will oppose a return to the old colonial system"—written by H. G. Quaritch Wales in the Nation of New York?

(b) Is it a fact that the same writer has said "we bemoan the supposed inability of India to unite. Why continue to divide those who wish to come together"?

(c) Are the Government of India aware of Japan's offering Independence to each one of her conquered territories, Burma and the Philippines and the Times has recognised that it met with a considerable success and it has to be combated?

(d) Are there any measures in contemplation to combat the success of Japan's psychological warfare?

The Honourable Dr. N. B. Khare: The question should have been addressed to the Honourable Member for Information and Broadcasting.

Mr. H. A. Sathar H. Essak Sait: Sir, I want to raise a point of order on this. This kind of answer referring the questioner to some other department has often been given here. It is very inconvenient for a Member to be told

†Answer to this question laid on the table, the questioner being absent.

722

LEGISLATIVE ASSEMBLY

[1st MAR. 1944]

10 or 12 days after he has put the question that it should have been addressed to some other Department. The Honourable Member who receives the question wrongly addressed to him may inform the questioner in time or inform the Assembly Department. That would save time. During the last Session a question of mine was answered on the last day by the Leader of the House in the same terms, and there was no time to put the question again. So cannot something be done to remedy this state of things?

Mr. President (The Honourable Sir Abdur Rahim): I do not know if Government has anything to say on this point?

The Honourable Sir Sultan Ahmed (Leader of the House): We shall see about that; there will be no difficulty.

WAR TIME MALPRACTICES IN COAL TRADE.

†282. ***Mr. Kailash Bihari Lall:** (a) Has the attention of the Honourable the Commerce Member been drawn to the war-time malpractice in coal trade viz., mixing of dust or water or both with coal (steam coal, soft coke, charcoal)?

(b) Is he aware of the public complaint that they get lot of dust, sometimes as much as 50 per cent. or still more, with the coal?

(c) Is he aware that one maund of charcoal can absorb about 13 seers of water?

(d) Were any enquiries at any time made as to how much of the dust is mixed by the dealer, how much of it is formed while in transit in the wagons, and how much of it is mixed by the dishonest consignor?

(e) Is he aware of the general impression that 90 per cent. of the dust is mixed by the dishonest consignor?

(f) If so, does he realise that this dust mixed coal involves a huge waste and misuse of the precious wagon space which would otherwise be available for carriage of more coal, and that such dust-mixed coal means more consumption and greater expense on the part of the consumer?

(g) Is the Honourable Member prepared to look into the matter personally to devise ways and means to put a stop to this malpractice in the coal trade which has reached a serious stage?

(h) Is he prepared, in addition to other steps, to consider the advisability of conferment of special powers upon Railways to enable them to refuse to carry unsifted coal or coal deliberately soaked in water?

The Honourable Sir M. Azizul Huque: The question should have been addressed to the Honourable Member for War Transport Department.

EXTENSION OF MEDICAL RELIEF SERVICES IN BENGAL.

283. ***Sir F. E. James:** Will the Secretary for Education, Health and Lands be pleased to state:

(a) what arrangements have been made for the strengthening and extension of medical relief services in Bengal and the supply of drugs;

(b) if there is a serious shortage of medical officers for emergency relief work in Bengal, excluding Calcutta;

(c) the total number of registered medical practitioners in Bengal; and

(d) of these how many:

(i) are serving in the Indian Medical Corps and the medical and public health departments of the Government of Bengal;

(ii) have offered themselves for emergency service as a result of the Bengal Government's recent appeal; and

(iii) have been appointed?

Mr. J. D. Tyson: (a) A statement is laid on the table of the House.

(b) It is a fact that the number of doctors who have come forward for emergency medical relief outside Calcutta is not sufficient to meet requirements.

(c) 11,734.

(d) (i) 335 doctors are employed in the Medical and Public Health Departments of the Government of Bengal in a permanent capacity. This figure

†Answer to this question laid on the table, the questioner being absent.

does not include those in the service of local authorities. The number of medical practitioners recruited in Bengal for military service is 1,075.

(ii) and (iii). According to the latest figures available 160 doctors have been appointed for emergency medical relief work and the applications of 17 more are under consideration. As far as is known no applications for service in the mofussil have been rejected.

Statement of the arrangements made for the strengthening and extension of the medical relief services in Bengal and the supply of drugs.

I. Emergency medical relief provided by the military authorities.

(1) 16 hospitals (varying from 100 to 300 beds) have been opened at various centres in seven districts.

(2) 48 mobile treatment centres have been organised to carry medical relief to the villages.

(3) 13 motor ambulances have been provided for work in connection with military hospitals.

II. Emergency medical relief provided by the Bengal Government.

(1) 1,100 emergency beds have been provided in the Calcutta area.

(2) The following emergency hospitals have been opened in the mofussil:

100 bedded	43
60 bedded	65
20 bedded	369

(3) 1,400 treatment centres have been, or are being, opened in connection with existing dispensaries the centres being attended by the dispensary doctor every alternate day.

(4) 250 civil mobile medical units have been sanctioned. A few of these are staffed by doctors and the remainder by senior medical students.

III. The Bengal Government obtain through local agencies the drugs (other than anti-malaria drugs) required for emergency hospitals, with the exception of certain special products, e.g., halibut liver oil, shark liver oil, vitamin B tablets and sulphaguanidine which have been obtained on their behalf by the Central Government. The following anti-malaria drugs have been allotted to Bengal by the Central Government in 1943-44:

Quinine	89,000 lbs.
Cinchona febrifuge	24,000 lbs.
Atabrine	7 million tablets.

Drugs supplies have been distributed to the mofussil by the army transport organisation.

Sir F. E. James: May I know how many medical practitioners in Bengal are actually in service under local bodies?

Mr. J. D. Tyson: I think I can give an approximate figure; about 130 graduates and about 1,200 licentiates.

Sir F. E. James: Will my Honourable friend be able to state what are the terms offered for this emergency service and whether these terms compare favourably with the terms for military and other service?

Mr. J. D. Tyson: The terms offered for Emergency Hospital service in the mofussil are:

For Graduates—pay Rs. 140. Hospital allowance Rs. 60, Total Rs. 200.

For Licentiates—pay Rs. 100. Hospital allowance Rs. 25, Total Rs. 125.

And for both categories there is a dearness allowance of Rs. 14 and a charge allowance, for those who are in charge of Hospitals, of Rs. 25. So the total is Rs. 239 for a Graduate if he is in charge of a Hospital, and Rs. 164 for a Licentiate if he is in charge of a Hospital.

I think the Honourable Member also asked me how that compared with what is being offered by the War Department. In the Indian Army Medical Corps, Graduates start at Rs. 450 and Licentiates start at Rs. 400, and for Civilian Medical Officers (there is a category called Civil Medical Officers who serve the military forces in a civilian capacity) if they undertake service in any part of their own military district they start at Rs. 350, and if they undertake to serve only in their own town they start at Rs. 250.

Mr. Hooseinbhoj A. Lalljee: Will these appointments be temporary?

Mr. J. D. Tyson: Yes, Sir.

Mr. Hooseinbhoj A. Lalljee: Will they be working in the contagious districts?

Mr. J. D. Tyson: Yes, Sir. They work in any district in Bengal in which the Bengal Government consider that emergency medical relief is necessary.

Sir F. E. James: What is the term of service offered?

Mr. J. D. Tyson: I am afraid I must ask for notice of that question.

POST-WAR FINANCIAL HELP TO INDIAN SHIPPING.

284. *Mr. K. C. Neogy: (a) Will the Honourable the Commerce Member be pleased to state whether it is a fact that His Majesty's Government in the United Kingdom introduced in 1939 the British Shipping (Assistance) Bill in the House of Commons, under which large financial help was proposed to be given to ships on the United Kingdom Register?

(b) Is it also a fact that progress of this legislation was interrupted by the outbreak of war, but that His Majesty's Government have given an assurance to British shipping that His Majesty's Government will do all they can to help, and will consider the advisability of giving financial assistance to British shipping, if necessary, after the war, for maintaining the British Mercantile Marine "in adequate strength and in a position of full competitive efficiency"?

(c) If the answer to (a) and (b) be in the affirmative, is it the policy of the Government of India to do all they can to ensure the position and development of Indian shipping "in adequate strength and in a position of full competitive efficiency" after the war, and is it the policy of the Government of India to give financial assistance, if necessary, to Indian shipping for that purpose?

(d) Have the Government of India received any instructions either from His Majesty's Government, or the Secretary of State for India, that the Government of India should not give any assurance to Indian shipping that they would help that shipping by financial assistance after the war?

The Honourable Sir M. Azizul Huque: (a) Yes.

(b) and (c): The attention of the Honourable Member is invited to the reply given to Mr. Akhil Chandra Datta's question No. 239 on the 3rd March, 1941.

(d) No.

Mr. K. C. Neogy: Has there been any communication between His Majesty's Government and the Government of India on this subject?

The Honourable Sir M. Azizul Huque: I am not prepared to answer that question without notice.

COMMANDEERING OF SHIPS ON THE INDIAN REGISTER.

285. *Mr. K. C. Neogy: Will the Honourable the Commerce Member be pleased to state:

(a) whether it is a fact that ships on the Indian Register were commandeered for the purpose of local naval defence from the 3rd September, 1939, onwards;

(b) whether it is a fact that ships on the Indian Register were requisitioned for the carriage of men, materials and munitions from July, 1940, onwards;

(c) if the answers to (a) and (b) be in the affirmative, whether the terms of hire and compensation, etc., for the above ships have been settled; and, if not, why not; and

(d) if these terms of hire and compensation are not settled even now, when it is expected that these terms will be duly settled, and what has caused a delay of nearly four years in their settlement?

The Honourable Sir M. Azizul Huque: (a) and (b). The position as stated is substantially correct.

(c) The terms of hire and compensation have not yet been settled but advances on account of hire of requisitioned ships and compensation for lost tonnage are, from time to time, being paid to the Shipping Companies in accordance with the rates prescribed by His Majesty's Government for similar ships on the British Register and the advice received from the Ministry of War Transport in London. On account of the peculiar position of the Indian Shipping Companies, Government propose to grant them more liberal terms than are admissible to the ships on the British Register, and the delay in settling the terms of hire, etc., is due to the necessity of determining in consultation with the shipping interests, the extent to which and the manner in which the proposed concessions should be granted.

(d) It is hoped that with the appointment of an Officer on Special Duty, the terms of hire, etc., will be settled in the near future. As regards the latter part of the question, attention is invited to the reply to part (c).

Mr. T. T. Krishnamachari: In his answer to part (c) of the question, the Honourable Member has referred to more liberal terms proposed to be granted to ships on the Indian Register. May I ask the Honourable Member whether that more liberality can be equated in terms of percentage to the relief that is being given now?

The Honourable Sir M. Azizul Huque: It is not possible. I think if my Honourable friend gives notice, I will try to calculate in mathematical terms.

COMPLAINTS RE. THE QUALITY OF FOODGRAINS SUPPLIED TO BENGAL.

286. *Mr. K. C. Neogy: (a) Will the Honourable the Food Member be pleased to refer to his replies to supplementary questions in connection with part (b) of starred question No. 11 of the 7th February last regarding complaints about the quality of foodgrains received by him during his visit to Dacca, and state whether he has received a telegram, dated Dacca, the 12th February, 1944, on the joint signatures of the Secretary of the Dacca People's Association, President of the Dacca District Congress Committee and Secretary of the Dacca Bar Association to the following effect:

"Your answer to Neogy regarding Dacca rice incorrect. Four samples of rice including one red rice others rotten cakes unfit for fodder shown you and taken by Justice Braund. You promised trace source and stop such supply. Regret such rice still coming."

(b) If the answer to (a) above be in the affirmative, does the telegram above-quoted represent a correct state of things?

(c) What action has been taken either by him or by Justice Braund for the purpose of tracing the source of the supply of such rotten rice, and to stop similar supplies in future?

(d) Has the attention of the Honourable Member been drawn to any other complaints regarding the quality of foodgrains supplied to Bengal? If so, to what effect, and what enquiries have been made into these complaints, and with what results?

The Honourable Sir M. Azizul Huque: (a) Yes.

(b) I have nothing to add to what my colleague, the Honourable the Food Member, has already stated in this House.

(c) and (d). Inspection of foodstuffs at the point of despatch was the responsibility of the Bengal Government itself. As complaints were not made to the Government of India at the time the supply was received, it is not possible now to trace the source of supply. For the future the following measures have been taken:

(i) Supplying Provincial Governments have been asked to mark bags in a particular way so that the source of supply can be easily traced.

(ii) They have been asked to ensure, as far as possible, that grain of only fair average quality is despatched.

(iii) The Bengal Government have been asked to examine the rice immediately on arrival so that any complaints regarding quality might be taken up forthwith.

(iv) The possibility of arranging inspection at destination instead of at the point of despatch is also under examination in consultation with the supplying Governments.

Mr. K. C. Neogy: Do I take it that the answer to part (a) of the question is that the statement made in the telegram quoted by me is incorrect?

The Honourable Sir M. Azizul Huque: That is a question of inference.

Mr. Hooseinbhoj A. Lalljee: May I ask whether these rules will apply to other provinces who will be importing as well?

The Honourable Sir M. Azizul Huque: I want notice of that question.

Mr. K. C. Neogy: In part (d) of my question I wanted to know whether any other complaints regarding the quality of foodgrains had been received. I do not think I have got an answer to that part of my question.

The Honourable Sir M. Azizul Huque: Not that I know of. But if my Honourable friend gives me notice of that, I shall try to find it out.

UNSTARRED QUESTIONS AND ANSWERS.

NEWSPRINT, ETC., IMPORTED FROM ABROAD AND MANUFACTURED IN INDIA.

87. Mr. K. C. Neogy: Does the Honourable Member for Industries and Civil Supplies propose to lay on the table a statement showing, separately, for the years 1939-40, 1940-41, 1941-42, and April, 1943 to December, 1943:

(a) the quantity of newsprint imported from abroad and manufactured in India, separately; and

(b) the quantity of printing and writing paper imported from abroad and manufactured in India, separately; indicating how much of these quantities have been allotted:

(i) to Government for purposes of official propaganda, against the Congress or otherwise;

(ii) to the British, American and Chinese armed forces, separately, for war purposes;

(iii) for use in connection with the National War Front propaganda;

(iv) to foreign firms of publishers operating in India, for the printing of books and periodicals, separately;

(v) to Indian publishers; and

(vi) to Indian newspapers and periodicals, separately?

The Honourable Sir M. Azizul Huque: A statement showing the imports and manufacture in India of newsprint and of other printing and writing paper is laid on the table.

With regard to allotments for different purposes:

(i) to (iii). The information desired under these heads is not readily available and in any case it would not be in the public interest to disclose.

(iv) to (vi). Paper other than newsprint is not rationed by the Central Government. Consumption and purchase of newsprint was not rationed till April 1943. Since then negligible quantities have been allotted to publishers. To newspapers and periodicals, about 7,800 tons were allotted during the period April to December 1943. Separate figures of allotment to newspapers and to periodicals have not been maintained.

Statement.

	NEWSPRINT.				OTHER PRINTING AND WRITING PAPER.			
	1939-40 Tons.	1940-41 Tons.	1941-42 Tons.	April-Decr. 1943. Tons.	1939-40 Tons.	1940-41 Tons.	1941-42 Tons.	April-Decr. 1943. Tons.
Quantity imported from abroad	36,714	30,731	28,304	8,244	16,725	8,538	4,640	983
Quantity manufactured in India	Nil	Nil	Nil	Nil	59,574	65,598	63,623	48,466

BICYCLES IMPORTED INTO INDIA.

88. Mr. K. C. Neogy: Will the Honourable the Commerce Member please state:

(a) the number of bicycles that have been imported into the country since June, 1943;

(b) the f.o.b. cost of bicycles in England, and at what price they are actually sold in England; and

(c) whether the Government of India have examined if any element of dumping is involved in this importation of bicycles into India, and whether Government have considered the question of protecting the local bicycle manufacturing industry against any form of unfair competition?

The Honourable Sir M. Azizul Huque: (a) I regret that it would not be in the public interest to give recent figures of imports into this country.

(b) The information is being collected and will be placed on the table as soon as it is available.

(c) The matter is under investigation.

MOTIONS FOR ADJOURNMENT.

EXTENSION FOR FINAL DISPOSAL OF CLOTH AND YARN TEX-MARKED AUGUST OR SEPTEMBER.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of an adjournment motion from Mr. Essak Sait. This was actually received day before yesterday, but another motion was taken up on that day. Yesterday was presentation of the budget day and it could not be taken up again. The Honourable Member has given notice of his intention to move that the business of the Assembly be adjourned to discuss a matter of urgent public importance of recent occurrence, namely, the Order of the Textile Commissioner (published in the *Times of India* dated the 26th February) granting extension till 30th June, 1944, for the final disposal of cloth and yarn tex-marked August or September.

Is there any objection to that?

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Sir I have objection to it on the ground that it is not a matter of urgent public importance. My reasons are these: The holding of these August and September tex-marks under the Regulations and Ordinances and Rules will be illegal after the 1st of March so far as August production is concerned and 1st of April so far as September production is concerned. In other words, any production of August, if it is held over after the 1st of March will be illegal, and Government will have to see what machinery will have to be devised for the release of the quantity which has not been sold within that period. In the meantime, as it is well known, there were immense transport difficulties with the result that August deliveries could not be received by the people, who wanted them, long after August was over and it was not fair by any means that when deliveries could not be immediately arranged—in some cases for two or three months—that they should be penalised under the normal provision. Therefore, it was owing to the transport difficulties and owing to the fact that cloth was not received by the people at the proper time but was received long after, that Government, in exercise of the powers they had, considered the position and decided that time should be given. There is nothing of urgent public importance in this, nor is there anything affecting the public for the simple reason that since August production the price of tex-marked cloth has been gradually reduced, with the result that any time extended to the people to sell it would be to sell it at a price fixed in August, but after which the price has been reduced so far as the other production has been concerned. Under the circumstances it is not a matter of urgent public importance to obstruct the meeting of the House.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): My friend was arguing on merits. But what he has said as to the merits of the question.

Mr. President (The Honourable Sir Abdur Rahim): He says it is not urgent.

The Honourable Sir M. Azizul Huque: I do not see where is the urgency for the reason that we have extended the time, but at any time all subsequent production will have to be sold at a lower price. How is the public prejudiced?

Mr. H. A. Sathar H. Essak Sait: This affects all the consumers of cloth in this country.

Mr. President (The Honourable Sir Abdur Rahim): What about the transport difficulties?

Mr. H. A. Sathar H. Essak Sait: That is a matter which will have to be discussed when the motion is taken up.

Mr. President (The Honourable Sir Abdur Rahim): On the facts given by the Honourable the Commerce Member, I do not think it can be said to be a matter of such urgency as to justify adjourning the business of the Assembly. I, therefore rule that the adjournment motion is not in order.

TAKING OVER OF PORTIONS OF THE BENGAL AND ASSAM RAILWAY BY THE UNITED STATES ARMY RAILWAY UNITS.

Mr. President (The Honourable Sir Abdur Rahim): There is another adjournment motion, also in the name of Mr. Essak Sait. He wishes to discuss a

[Mr. President.]

matter of urgent public importance of recent occurrence, namely, the taking over by the United States Army Railway Units of certain portions of the Bengal and Assam Railway reported in today's *Dawn*.

Has the Honourable the War Transport Member any objection to this motion?

The Honourable Sir Edward Benthall (Member for Railways and War Transport): Sir, a question was asked on the floor of the House on the 24th on this subject and I answered the question fully and answered supplementary questions. I understand, Sir, that it is the established custom of the House that such questions should be raised at the earliest possible opportunity. There have been opportunities for raising it on the 25th and 26th and 28th, and nothing has happened in between to make it necessary for the subject to be discussed.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): May I know whether the answers referred to this particular portion . . .

The Honourable Sir Edward Benthall: Precisely.

Mr. President (The Honourable Sir Abdur Rahim): Having regard to the facts stated by the Honourable the War Transport Member, I rule that this motion is not urgent within the meaning of the Rules.

STATEMENT OF BUSINESS.

The Honourable Sir Sultan Ahmed (Leader of the House): Sir, we have received requests for the allotment of an additional day for the general discussion of the General Budget and of an additional day for the voting of Demands for Grants. Under existing arrangements, Monday next the 6th March, has been allotted for the general discussion and Tuesday, the 7th March, is an ordinary Official day. If there is to be a second day for the general discussion it should clearly be on Tuesday.

Wednesday, Thursday and Friday, the 6th, 9th and 10th March, are holidays. Saturday, the 11th March, is not a holiday; but no meeting has been fixed for that day. Monday, Tuesday and Wednesday, the 13th, 14th and 15th March, have been allotted for the voting of Demands. We cannot afford to defer the commencement of the discussion of the motion to consider the Finance Bill beyond Thursday, the 16th March. If, therefore, an additional day is to be allotted for the voting of Demands, it would have to be Saturday, the 11th March.

The allotment of Tuesday, the 7th March, as an additional day for the general discussion and of Saturday, the 11th March, as an additional day for the voting of Demands would involve one difficulty. The Honourable the Finance Member proposes to move for the reference of the Bill further to amend the Indian Income-tax Act to a Select Committee with instructions to report in time to admit of the passing of the Bill before the termination of the Session. We had proposed to put this motion down for Tuesday, the 7th March, and if that day is allotted for the general discussion of the General Budget the only sufficiently early day available for the motion to refer the Income-tax Bill to a Select Committee will be Friday in this week. As copies of the Bill did not become available to Members till a late hour yesterday it would be open to any Honourable Member under the proviso to sub-order (1) of Standing Order 38 to take objection to the moving of the motion for reference to a Select Committee on Friday, when copies of the Bill will have been available for some hours short of the three days referred to in the proviso. While, therefore, we are prepared to move His Excellency the Governor General to make an additional allotment of Tuesday, the 7th March, for the general discussion and of Saturday, the 11th March, for the voting of Demands, we must make this arrangement subject to an understanding that objection will not be taken to the moving on Friday of the motion for reference of the Income-tax Bill to a Select Committee.

Mr. Abdul Qaiyum (North-West Frontier Province: General): As far as we are concerned, we will not object to the Income-tax Bill being taken up on Friday this week, but we make a suggestion to the Honourable the Leader

of the House that if we are to sit on the 11th, would it not be much better if some other official business is taken up on the 11th and the voting on the demands for grants from the 13th onwards. That would put off the Finance Bill for one day, which I hope is not an insurmountable difficulty, some of our Members are going away in view of these holidays. This is a suggestion, and if it is accepted, we would be grateful.

Sir Henry Richardson (Nominated Non-Official): We have no objection to the suggestion made provided the Finance Member will give me an assurance that he won't call the Select Committee the next day, that is to say, we must have time before he calls the Select Committee in which to consult our constituents on this very important Bill.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): As far as we are concerned, we are quite agreeable to taking up the Bill on Friday and we will not have any objection to that. I support the suggestion that has been made by my Honourable friend, Mr. Abdul Qaiyum, that if the Government can possibly arrange their business in such a way that the demands be discussed on the 13th, 14th, 15th and 16th, instead of from the 11th, I think it would suit the convenience of the Members better, because we had no idea that the House was going to sit on the 11th and a number of Members on account of the holidays that are to be in that week have made arrangements to go away from Delhi and transact certain business, and as this is a very long Session I think the Members do deserve little consideration on the part of the Government. I hope putting off the consideration of the Finance Bill by one day will not inconvenience the Government to such an extent that they cannot accept the suggestion which has been made.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): I agree with my Honourable friend, Nawabzada Muhammad Liaquat Ali Khan, that the Saturday meeting should be dispensed with and that we should sit later for the discussion of the details of the Budget. As regards the question of referring the Income-Tax Bill to a Select Committee, I do not object to that procedure but I agree with my Honourable friend, the Leader of the European Group, that adequate time should be given for meetings of this Select Committee.

Mr. Hooseinbhoj A. Lalljee (Bombay Central Division: Muhammadan Rural): I agree with the remarks that have fallen from my Honourable friend, Sir Henry Richardson, for the Select Committee and so far as the Select Committee on Friday is concerned, I should like that it should be a little later. We will not take any objection which is feared by the Honourable the Leader of the House. As regards Saturday, I make the same appeal as my friend on the opposite side.

The Honourable Sir Jeremy Raisman (Finance Member): We on this side are very anxious to meet Honourable Members and consider their convenience provided that they will also extend to us a similar consideration in enabling us to get through this important business within the time within which it should be disposed of.

Dr. P. N. Banerjee: Before the 31st March?

The Honourable Sir Jeremy Raisman: It has to be through the Council of State before the 31st March. That must be borne in mind. I can endeavour to meet Honourable Members in this way: the motion for reference to Select Committee can take place on Friday this week, to which I understand all Leaders agree. The actual meeting of the Select Committee is the difficulty. If Saturday, the 11th, is not utilised for an ordinary sitting of the House, then I would ask that the business of the Select Committee be put on that day, and that it be disposed of on that day. That will give them a full week between the motion for Select Committee and the actual meeting of the Select Committee; and it will enable us to utilise Saturday for the purpose of the Select Committee. It means, of course, that the Members who are nominated to the Select Committee must be prepared to work on that Saturday but their friends will be able to go and enjoy the holiday which the Leaders want

Nawabzada Muhammad Liaquat Ali Khan: Not to enjoy, but to transact business.

Mr. President (The Honourable Sir Abdur Rahim): What will be the final result?

The Honourable Sir Sultan Ahmed: We will move the Governor General accordingly.

Mr. President (The Honourable Sir Abdur Rahim): And make an announcement afterwards? I think, in a matter like this, there ought to be arrangement beforehand between Leaders of Parties and the Leader of the House, so that the time of the House may be saved.

MESSAGE FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, the following Message has been received from the Council of State:

"I am directed to inform you that the Council of State at its meeting, held on the 29th February, 1944, agreed without any amendment to the following Bills, which were passed by the Legislative Assembly at its meeting held on the 23rd February, 1944, namely:

1. A Bill further to amend the Coal Mines Safety (Stowing) Act, 1939;
2. A Bill further to amend the Indian Companies Act, 1913;
3. A Bill further to amend the Indian Aircraft Act, 1934;
4. A Bill further to amend the Transfer of Property Act, 1882; and
5. A Bill further to amend the Insurance Act, 1938."

RESOLUTION RE FLOATATION OF LOAN FOR SUBSIDISING THE AGRICULTURISTS.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I move:

"That this Assembly recommends to the Governor General in Council that, as an anti-inflationary measure, a loan of ten crores of rupees, earmarked for purposes of subsidising agriculturists to grow more food and increase milk products be now floated."

I will, to begin with, refer to the serious situation created in this country by the food shortage and then comment upon the several measures suggested by certain persons and corporations as well as the measures adopted up till now by the Government and proposed in the Honourable the Finance Member's speech yesterday. This country was, it is well known, deficit even in normal times. It is well known that the masses lived on one meal a day, and were very often on the verge of starvation. This was the condition in normal times. Now, we have here an army—one has got no idea exactly as to what the army is; of course one knows that the Americans are here, the Canadians are here, the Britishers are here, the coloured races are here; but when in normal times the country was not in a position to supply food and meet the needs of the people, it is no wonder that in these days the country is terribly short of food. We have seen manifestations of this food shortage in the evil consequences that followed in Bengal; the mortality is well known and the serious consequences which followed in Bengal on account of starvation and the consequences of starvation such as illnesses and other maladies. The remedies proposed are different. One may have come across the plan suggested for the economic development of India by Sir Purshotamdas Thakurdas, Mr. Birla and others; but I do not wish to consider that plan now, though that plan is a very ambitious plan, because it does not meet the immediate needs of the country. It is a long-range plan and depends on this, that there must be a national government which can borrow hundreds of crores for the rehabilitation of agriculture and put the agriculturist on a proper basis so that his standard of living will be raised and should not be so low as it is today.

Then there is another suggestion which is certainly worth considering, and I should like the Honourable the Finance Member to consider it because he is, I suppose, interested in seeing that food is grown as much as possibly can be grown and as quickly as it can be grown. I refer to certain suggestions made for making funds available without any taxation to the people for increasing the food. That suggestion is contained in a memorandum by Sir Nanavatty, President of the Agricultural Economic Conference, on allocation of the Reserve Bank's profits to agricultural reconstruction. This was handed over to me by

FLOATATION OF LOAN FOR SUBSIDISING THE AGRICULTURISTS

my friend, Mr. T. T. Krishnamachari, only two or three days ago. The suggestion is really very good. It says in para. 5:

"The problem of finding funds for agricultural development is one of the most stupendous which the country shall have to face in the post-war period. New sources of taxation will have to be found. Reconstruction loans will have to be floated. Rural finance agencies will have to be strengthened and systematised.....we shall also have to consider the possibilities of devoting at least a part of the newly accumulated sterling resources for the provision of the equipment necessary for modernising agriculture.....Funds must be found for all these, and it would obviously be desirable if they could be found outside the annual budget, so that they are available without interference as is the case with the many research bodies mentioned above."

Again in para. 6 it says:

"In this connection, we suggest that half the profits of the Reserve Bank of India should be set apart for financing the setting up of an organisation for the development of rural life, preferably under the Imperial Council of Agricultural Research, whose functions should be expanded to make plans, promote research and sanction grants for agricultural reconstruction. The Reserve Bank, it is admitted by all, is a Public Utility, and it is not worked for the profit of the shareholders....."

Under the present arrangement, whatever surplus there remains after the allocation to dividends goes to the Central Government, and this contribution is then amalgamated with the general revenues of the country. It is easy to see that if half the profits of the Reserve Bank are constituted into a special fund for creating the necessary organisation at the Centre for the development of agriculture, it would have little adverse effect on general resources which are amply met, while it would be an excellent source of funds so badly needed for the initial very necessary organization."

I hope, Sir, that the Honourable the Finance Member will take this matter into consideration, particularly as I wish to show later on that his help to agriculture to grow more food has been very meagre, and really it is not such, of which one could very well be proud. All that we have done is this. We proceed on the assumption—by we I mean the Government—proceed on the assumption that the country has produced sufficient food but what has happened is this, because prices have gone up and the growers or the traders have started hoarding, therefore food is not available. I submit that that is a very wrong assumption to make that there has been such a colossal hoarding that it has resulted in food shortage which brought about those consequences which happened in Bengal, or as has been admitted on the floor of the House to-day, are likely to happen in Orissa, because the reply to questions on the floor of the House to-day was that famine conditions prevail in Orissa. So, it is not only in Bengal but in Orissa, Travancore and other parts of the country where the food famine is likely to raise its head. So, other measures have got to be found. Those countries which did not grow any food or which grew not as much food before the war as they are growing now—what did they do? They did not start merely with price control and anti-hoarding measures. They started with the idea of growing more food. We have also started a propaganda as well and have adopted certain measures to grow more food. About two years ago a subsidy of Rs. 2 per acre was given to those who would bring land, on which short staple was growing, under cultivation for food crops. I hope the Honourable the Finance Member will be able to tell me what the total amount was. May I know what the amount was—what amount spent was given as subsidy by this Government to short staple cotton growers if they were to bring that land, which was under short staple, under food crops? I remember Rs. 2 per acre was suggested, but how much was given I do not know.

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): I think I can tell the Honourable Member a little later. It was a C. P. scheme.

Mr. Govind V. Deshmukh: Then, after that we saw very little of any subsidy of bringing more land under cultivation. There is no stimulus to people to bring the land under food crops. Then, for some time we find—I heard yesterday, the Government of India coming forward and referring to certain measures which they have adopted, namely, the passage will be found at page 8 of the

[Mr. Govind V. Deshmukh.]

Budget Speech—I am referring to certain amounts spent on sales of seeds, manures at concession rates and irrigation. The passage reads thus:

"In co-operation with the provinces and States the Government of India have intensified their efforts in the prosecution of the war to grow more food campaign, and they have assisted schemes either by loan or grant to an extent of well over Rs. 2 crores. Such schemes include distribution at concessional rates (not granted free) of improved seeds and manures, irrigation projects promising quick returns and provision of additional agricultural staff."

I have tried to look up if any details were given about these in the Explanatory Memorandum of the Budget, and I find that there are no details given of the amount that is intended to be spent on this. Page 8, paragraph 25 I have read. Then Explanatory Memorandum page 8, item No. 47, Demands for Grants. There are no details—I have looked up the whole thing, Demand No. 47, Agriculture in Demand Grants for this Budget. In the absence of any information as regards how much amount has been specified for any particular purpose or if the whole amount goes into the pockets of some officers appointed or establishments, I am not in a position to say to what extent Government has helped agriculture. I hope some details would be given in the course of the reply to-day. These are not the only things that matter. You cannot grow more food by bringing more land under cultivation or helping people with such meagre assistance.

What is really necessary besides these is labour. Constructions of aerodromes and other military works round about these villages—these have created shortage of labour. Some measures should be adopted which have not been so far adopted in this country to set matters right, though I know a reference has been made that an organisation will be set up to shift labour from one place where there is a surplus, to another place where it is wanted so that there may not be any unfair competition between those persons or those bodies which wish to engage labour. But in other countries measures have been taken to see that farm labour does not go to this work which is meant for army purposes. In some of the colonies measures have been adopted to see that labour is registered and they are given good wages so that wages given at other places may not be an inducement for the farm labour which works on the farms, to leave the farms and go to urban areas.

Besides labour you also need bullocks. In India at least you cannot do without bullock power. No measures have been taken to stop the slaughter of bullocks. I have in the last Session and this Session urged upon Government to stop the slaughter of cows and bullocks. I do not know whether it has come to the notice of the Secretary of the Department of Education, Health and Lands that in the Bengal Legislative Assembly it was admitted by the Government that there was a shortage of plough cattle. Though it may not be the business of my Honourable friend, when he is doing the work, to take notice of what appears in the papers as he said the other day, I wish to bring this matter pointedly to his notice that the shortage of plough cattle has been recognised not only in Bengal but there is the same shortage everywhere. Another point which I wish to refer to is the slaughter of cows as well. I have referred to increasing of milk products in my Resolution, and as I am dealing with all the animals, I wish to refer to the slaughter of cows also. There has been no All-India legislation, as I had suggested, to stop the slaughter of cows which are prime and serviceable in the sense that they can yield milk.

All these factors are necessary—land, capital, labour, bullocks—for cultivation; and Government must subsidise some of these items to see that the agriculturist gets sufficient help to increase the quantity of food. I wish to suggest that in other countries which I shall mention, measures have been taken of the character which I am suggesting. Let us see what happened in England. If my friend will refer to the Home Front Hand Book for England he will see this:

"Substantial financial aids to convert grass land into arable land have been given, such as a grant of £2 per acre (We have given Rs. 2 an acre) for grass land ploughed up; a subsidy of £3 an acre if wheat or rye were sown a payment of £20 per acre for land previously devoted to flower-growing if converted to food crops; assistance up to 50 per cent.

of the expenditure required for draining and ditching; and a subsidy, also of 50 per cent. on cost of agricultural land."

How does your help compare with this? Look at what has been done in Australia. It has an area of 2,974,581 square miles and a population of 7 millions. That country has spent 2 million pounds for the dairy industry alone. This is a subsidy. Then take Canada. It has also subsidised hogs, there is a subvention for fertilizers and encouragement of sheep raising. Take Ulster. It has subsidised to the extent of £136,000 and what is the population and the area. Ulster is 1,979,728 acres and the population is 280,269. It is a small country—strictly a part of a country—Ireland—with a small population and yet a substantial amount has been spent on subsidy. Here in this country, India, with a big population and a big cultural area, you are spending such a meagre amount as Rs. 2 per acre to bring more land under cultivation, for subsidising the sale of seeds and sundry other things. Take Ontario. It spent 664,045 dollars. It is a small country. Then take New Zealand. It spent £65,000. Nova Scotia has also subsidised. Small countries with small populations are spending huge sums and here in this country, with a big population, we are spending a very meagre amount. Why cannot we have a subsidy here? I have shown that the system of subsidy is followed in every other country. It should be no argument that the subsidy will go into the hands of the growers and it will increase inflation. As a matter of fact, up till now, no country has ever taken the view that this subsidy is likely to increase inflation. I wish now to refer to a bigger authority and a piece of legislation. There was an Anti-Subsidy Bill in America and the attack was that it was an inflation measure. It was not passed and the President exercised his veto. The extract I wish to read is this:

"The House of Representatives has sustained President Roosevelt's veto on the Anti-Subsidy Bill. The vote upholding President Roosevelt's decision was 226 to 151. In his message to Congress vetoing the Bill, President Roosevelt said that it was 'an inflation measure, a high cost of living measure and a foodshortage measure' which has his 'most emphatic and vigorous disapproval'."

The message stated:

"By its restrictive provisions the Bill would compel an increase in the cost of food to the people of the U. S. A. . . . I urgently recommended Congress to take action as soon as possible to extend without hampering and restriction, the life of the Commodity Credit Corporation. Farmers could thereby make plans for planting crops and know the prices on which they can rely. President Roosevelt added that he estimated the Bill would increase food prices by not less than seven per cent.

"We cannot hold the wage line if Congress deprives us of the means necessary to hold down the cost of living" the President's message concluded. "The weight of the increased burden will fall mostly on unorganised workers and others with a fixed income, among whom are most of the dependents of our fighting men. The Bill would destroy the stabilisation programme. I cannot accept the responsibility for its disastrous consequences."

So, this Anti-Subsidy Bill was vetoed. There is a volume of opinion in favour of subsidy, and not only opinion but action has been taken. Several countries have adopted this policy of subsidising the agriculturist to grow more food and here Government thinks that it is doing a lot for the agriculturist when it is doing almost nothing. I have said that the subsidy does not in any way increase inflation. I have shown that. Other countries do it. As my Honourable friend is floating loans, I suggest that method. He must have some money. I do not want that the money should be raised by taxation because we have reached the taxable limit. Now, it is very easy for him to float a loan. He was very fortunate in securing loans and the loans have been subscribed within a fortnight or a month. It should not be very difficult for him to have a loan. He may be floating loans again and I want that he should again float a loan and that money should be earmarked for the purpose of subsidising the agriculturist to grow more food and milk products. I need not mention that it is not only the foodgrain that is necessary for the people but the milk products are very necessary to maintain the people in a fit condition. In a country which is populated mainly by vegetarians, it is an essential thing. (An Honourable Member: "Question"). Anyhow, if it is not mainly vegetarian, milk and milk

[Mr. Govind V. Deshmukh.]

products form an important element in their food. It is a main item of diet. Even meat is cooked in *ghee* according to the old method and *ghee* is a vital necessity. Milk or butter is a vital necessity and money should be given liberally for increasing both the products—the foodgrains as well as the milk products. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Resolution moved:

“That this Assembly recommends to the Governor General in Council that, as an anti-inflationary measure, a loan of ten crores of rupees, earmarked for purposes of subsidising agriculturists to grow more food and increase milk products be now floated.”

Mr. C. P. Lawson (Bengal: European): Mr. President, Sir, we on this side are grateful to Mr. Deshmukh for moving this Resolution because we felt that it would raise a very interesting discussion. It is something of a disappointment to us that there has not been a greater attendance to listen to what he has to put forward. The object of the Resolution, as put down, is presumably, first of all, anti-inflationary in that he wishes to raise a loan as an anti-inflationary measure. From what we heard from the Finance Member yesterday we can, I think, presume that he is not letting any grass grow under his feet in the matter of the raising of loans. If that is accepted, then the promoting of an additional loan hardly really affects the position very much. The question boils down, in fact, to the amount of money that from his resources he is prepared to spend on the betterment of agriculture in the country. We had some slight indication of what that amount was, when Sir Jogendra Singh spoke last August in another place, indicating a grant of Rs. 50 lakhs to produce foodgrains and also indicating Rs. 99 lakhs of loans to Provinces. He referred also to the “grow more food” campaign and the expenditure on that. Today also on the Radio we have news that rice production is showing an increase of 20 per cent. on the previous year, which, of course, is an incredibly large increase after one year. But I do agree with the Mover of the Resolution that another statement is due and we should be very interested to hear what has happened in the interim.

The question that I would like to ask the Education, Health and Lands Department is: Are financial resources limiting the extent to which the present situation can be bettered? Mr. Deshmukh in moving this Resolution, I think, made it clear that his intention was more for the helping of the present than for the future, although he did refer to certain projects which would be of more permanent benefit. Now, if the intention is to deal with the immediate present, it is clear to me that such expenditure as is carried out must be directed towards specific objects. Just to apply 10 crores of rupees to the whole of the agricultural field would lead us nowhere. It would amount merely to four or five annas per head of the population or about Rs. 150 for every village. So, presumably Mr. Deshmukh wishes that whatever expenditure may be made should be made in certain specific directions, and there I would agree with him. The subsidising of agriculture is normally necessary when production is unprofitable and the only other reason would presumably be to increase or to bolster up immediate production. So, clearly you must spend your money in the way that will produce that result, otherwise, of course, the increase in the crop yields, which are clearly visible, and the enormous increase in the values of these crops must be producing profits which would beggar the 10 crores which Mr. Deshmukh is asking for. We, therefore, hope that this Resolution will draw from Government a statement as to the help that is being given to provinces for food production and the direction that that help is taking.

Now, if the Mover has in his mind some more permanent benefit, I suggest that it is necessary to outline your plan before you start providing the finance for that plan. We certainly do not want to subsidise agriculture, so that the subsidies go into production and then disappear into thin air. We have just seen a situation in which taking two main crops, wheat and rice,—something like 37 million tons are consumed in this country every year—and in the past year

those 37 million tons have been yielding Rs. 200 or Rs. 300 more per ton than they yielded normally. That would be a moderate estimate. That profit must have gone somewhere. There appears to be some doubt as to where it has gone. I am told from one side that the labourer has not profited and from another side that the landlord has not been able to increase his rents. It would be interesting, in fact, to know where all that enormous amount of money has gone. Clearly, it has gone somewhere and certainly we would not want this 10 crores to go the same way. Anything that is provided for the permanent benefit of agriculture must, to my mind, be productive. The whole of my intention would be somehow or other to start the ball rolling and keep it rolling. So, if any money is to be spent, I want it to be productive of more money and I want that money to be spent again on agriculture. If you produce a certain sum like 10 crores and devote it to agriculture like this, it is rather like polishing the surface of the ball without setting the ball rolling. We want to set the ball rolling and to keep it rolling. And when thinking of that, I cannot help thinking also of items like cotton, tea, coffee and even coconuts, which are receiving special attention. And if we are planning for permanency, I am inclined to apply the same principle to other agricultural products. I know that the idea of putting anything on to food prices is immediately repellent. The whole idea, for instance, of collecting a cess from any agricultural product, if it is a food product, is looked down upon even though by that deed the ball may be set rolling and things may turn out to be so much better. We have had, whether we like it or not, to face during the past two years increases in food prices that went from 200 to 400 per cent. over pre-war levels. But the mere suggestion of even one per cent. taxation increase seems to frighten us all; and I would point out that market fluctuations in fact are very frequently higher than that. I have no doubt that in the course of time we shall be hearing from the Government Benches regarding reconstruction plans and I hope that even this debate may produce information regarding what has been done even in the last six months.

But the principal point that I should like to make is that there is no use sinking money in a project until organisation is ready to meet it. You can with ten crores of rupees get improved seed; you might be able to increase irrigation facilities; you might buy fertilisers; but at least let it be known what you are going to do with the money before you raise the money. And it is in this that I find my Honourable friend's speech rather unsatisfying. He has not said what he is going to do with the money if he gets it; and that I consider to be essential. I am more than frightened of pushing money out into the fields and seeing it disappear, like all this enormous profit on millions of tons of food has disappeared in the past two years. Once we can get tabs on that profit and tap it I think we can start this movement and make it grow. But the one thing I would impress upon the Government Benches is this, that the time to do this is now. I think myself that we have passed the peak of agricultural prices, and I think they are going to go down; I do not think we are ever going to see again the prices which we saw last year. But while these prices remain high there is a chance to use this enormous amount of money for the betterment of agriculture. When prices go down it will not be nearly as easy. So, quite apart from the *bania*, it is from that seed that they can grow. It is very difficult to get money on agriculture, I maintain that permanent results could also be obtained if Government got busy now and got their plans into operation even before the post-war period. I realise of course that that is very difficult because of other work connected with the war which Government have to undertake; but it must be remembered that while it may be difficult, for lack of machinery and so on, to produce industrial reconstruction and a number of other things, in agriculture at least there is scope for immediate action. Something can be done while the prices are as high as they are at present, and the cost of that something also would not be noticed anything like as much as it would be noticed in later times when the prices are possibly down to the pre-war levels.

[1st Mar. 1944]

Mr. Ananga Mohan Dam (Surma Valley cum Shillong: Non-Muhammadan): Sir, I support this Resolution because it seeks to ameliorate the condition of the agriculturists. But I must tell my Honourable friend, the Mover, that he has taken poor consolation by asking Government to float a loan of 10 crores of rupees, which is nothing even with regard to the agricultural improvement of one province. There are roughly 900 crores of note circulation in this country and this loan of 10 crores will have no effect on the inflationary character of our finances. Sir, poverty is the only problem of India socially, politically and economically. This vast country is full of agriculturists but it is so poor that a large proportion of its people do not get enough to eat, and a still larger proportion do not get the right kind of food. It is absolutely necessary that the agriculturists of India should be helped and subsidised to increase our agricultural wealth and add to our national prosperity. We must see what other Governments have done for the improvement of the agriculturists. The policy of the British Ministry of Food is, firstly, to provide basic food available for the nation; secondly, to ensure that the food given keeps the nation fit; and thirdly, to maintain such a level of prices as to keep food within the purchasing capacity of the people. But it should be said to the discredit of our Governments; provincial and Central, that they have not done anything of that kind. Not only that; the Government of India have said that the vast population of our country lives on a meagre standard of nutrition, and cannot sustain themselves fully through the crop year. Mr. Amery, the Secretary of State for India, has termed them as "subsistence cultivators". I cannot describe their condition better than by his own words:

"The vast majority of the population of India have always been and still are subsistence cultivators. They wring a meagre and precarious existence from their small holdings and only the need for finding a little ready money for rent, for payment of debts, for purchase of the very minimum of necessities and petty luxuries leads them to sell a narrow margin of their surplus food."

That is the deplorable condition of the poor agriculturists of India. Our Government has initiated a "Grow More Food" campaign, but we all know, and Government also know, that very little result has so far followed. We are told by Dr. Akroyd, the Director of Nutrition Research Laboratory, that a good deal of energy of the nation has been wasted in this campaign. Sir, other countries have done much to give their people nutritive articles of food and other facilities of life. Japan has tackled her food problem with vigour and energy. She has increased her production of wheat, sugar and meat and doubled the production of eggs. She has made a remarkable development in fish industry. England which produces only 30 per cent. of her food has given to her labourers a diet better than the diet which the middle classes in India can have. In war-time Germany the dietary was determined by what the German agriculturists could produce and the country has attained 85 per cent. self-sufficiency—even during war time. Our Government are now making plans for post-war reconstruction but I shall invite them to a mid-war reconstruction which is proposed in this Resolution. Improvement of labour power is the main concern of a country and agriculture improvement is the primary condition for guaranteeing the efficiency of labour. In an agricultural country like India industrial expansion also depends on agricultural development. The export of agricultural commodities, foodstuffs, as well as commercial crops, will be the principal means for financing industrial expansion. Machinery and considerable amount of manufactured goods will have to be imported against the export of these agricultural commodities. The population of Soviet Union is much smaller than the population of this country and yet under their first Five-Year Plan the Soviet Union had expanded agricultural production much more than the present production of our country. The object of the Soviet Government in producing large exportable surplus of agricultural commodities was to enable the country to pay for the import of the manufactured goods and machinery from outside. Our Government could do the same if they were prepared to take a bold and courageous step. The country is very poor and, therefore, the amount of subsidy needed for the people

will be very large. It is for this reason that I must request the Government to float a loan of one hundred or more crores of rupees for giving subsidy to agriculturists.

Sir, another reason for which the Resolution of my Honourable friend, Mr. Deshmukh, should be acceptable to the Government is that it is an anti-inflationary measure. The Government had not, for a long time, clearly recognized the inflationary tendencies in this country but now they have definitely said that there is inflation in the country and measures should be adopted to counteract it. As an anti-inflationary measure, my Honourable friend's Resolution is entitled to the best consideration of the Government. The inflationary tendency must be arrested by the production of agricultural and industrial commodities and by heavy investment in industries and also by taking away additional purchasing power from the hands of the people. This last thing can be done in two ways: By taxation and by floating a loan. Taxation is out of question in this country. It is already over-taxed and the new steps taken by the Honourable the Finance Member have gone too far, and have added to the burden of the poor. The only alternative which is open to us is to float a loan and in this respect I am glad to say that my Honourable friend, Mr. Deshmukh, has done a yeoman service to this country by drawing the attention of the Government to this loan project. I do not see any reason why ten or even hundred crores of rupees loan cannot be raised in order to subsidise the agriculturists. In India, agriculture is the basic industry and every other industry which is to be established has to be based on agriculture. Sir, I do not wish to dilate, at great length, on what measures other countries have taken to promote agriculture. Suffice it to say that in Britain £100 millions are spent on subsidies for food and that similar measures are in operation in the United States of America. It is, therefore, urgently necessary that steps which have been suggested by the Members in this House should be taken in order to bring about improvements in agriculture.

On another occasion, I requested the Government on the floor of this House to help the starting of agricultural banks and make the Reserve Bank help these institutions with sterling balances lying idle in England to our credit. I do not know whether Government has taken any step in that direction but it is urgently necessary that alongside this subsidy to be given to the cultivators, agricultural banks should be started throughout the length and breadth of this country so that the agriculturist may have financial backing to follow his agricultural pursuits. Big commercial banks in towns do not help the agriculturist; these banks give money to the big contractors and industrialists who can give them good interest and easy return. But these agricultural banks should be based on a long-term policy so that the agriculturist is helped to the utmost, which indirectly means helping India as a whole. With these few words I support the motion of my Honourable friend, Mr. Deshmukh.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Sir, I do not wish to take much time of the House on this Resolution of my Honourable friend, Mr. Deshmukh. It is a very salutary motion no doubt. There are two objects: First, that anti-inflationary measures should be adopted; and the other that more money should be provided for the production of more food in the country. Sir, nobody can dispute those objects and I think Government will not say anything against this motion inasmuch as it is bound to help the agriculturist and is a measure to counteract inflation.

But the point arises, how is this money to be used? There are schemes being floated on all sides. We have got a 15-year scheme by big people in India at present going about in the country. Then there is a Government committee to be sent abroad to study some sort of measures to be adopted for anti-inflation. But the point is how is this money to be spent and how is the cultivator going to be benefitted. The present condition is this: My Honourable friends think that the cultivator should be helped so that he may grow more and more. On the other hand, the Government thinks that the cultivator has made a lot of money due to the rise in prices and there is absolutely no need for any kind of help to be given to him. At present every tenant

[Mr. Muhammad Azhar Ali:]

is made to pay money towards war loans, postal certificates and many other kinds of subscriptions for help in the war effort. At the same time the Government wants the cultivator to grow more food. But how is he going to do that when you are depriving him of whatever money he has somehow made due to rise in prices. There are all sorts of schemes in the country, but how can he adopt those. So, as I have said, on the one hand you ask him to grow more food and on the other hand you take away whatever money he has in his pocket. You do not give him any facilities for the storage of his produce. Does any one in this country think that these poor cultivators—who are not like your farmers in England and Europe—have no means to store their produce, and that some steps should be taken to help them in this direction. They have no soils. These are the things to be considered first. To say that money should be found—ten or twenty or hundred crores—for helping the cultivator, is all right.

Our European friends, last time, I find also gave a resolution of the kind and there was some intention that the cultivators should be helped in some way in India. But, Sir, how can you help the cultivator when you deprive him of what little profit he has made during this war. It is impossible for you to allow the cultivator to do anything possible to grow food. Whatever they have, and whatever they get either from the Agricultural Department or from the *bania*, it is from that seed that they can grow. It is very difficult to get these things even through co-operative banks at present. The Government tried its best that there should be co-operative banks in all the provinces. If these banks also take up this question of growing more food sincerely and honestly, I tell you that it is not so very difficult and these banks can find money for the 'grow more food' campaign. But on the one hand the cultivator is being robbed and on the other schemes are floating about, which absolutely do not help the cultivators at all. I find that now there will be in every village and town Patwaris, Tehsildars and Sub-divisional Officers, through whom these cultivators will have to buy some sort of certificate and pay for the war loan. How is it possible for that very cultivator, who has to pay his rent to the landlord and at the same time to subscribe to your loan, to grow more food? If it were by means of *taqabi* loans, then let me say that the experience of the cultivator in this respect has been very sad. They have had to pay more interest than they would have paid to the *bania*. This is the experience which we, who have a little land in this country, have had. It is very nice and all right for the Government to sit here in the Centre and say that so and so has to be done. But how is the cultivator to be benefitted? His present condition is that they have not capital enough. The bullocks have been sold for very high prices and they cannot rebuy them for cultivation purposes. Their poverty is such that you cannot imagine their condition. You cannot even get meat in the villages. How can you expect the cultivator to grow more food unless you can import more machinery from outside? He has not even bullocks to till his land. He has not even the machinery for this purpose. The present Government did not consider these things before the war. Now it is too late. You may try to do whatever you like but it will not help the cultivator at all. It will simply go into the pockets of those whom the cultivator has to pay his debts.

Sir Henry Richardson (Nominated Non-Official): My colleague, Mr. Lawson, tried to stress the importance of our having before us some indication of Government's plan in regard to Agriculture to enable us more easily to consider this resolution which is before us. I would like to go over some of the past history of what Government's attitude has been, so that we can examine what they have said they had in mind and endeavour to draw from them in this debate some information which we feel is lacking at the moment.

Following on the Finance Member's comment in his Budget speech last year regarding the reduction in the burden of agricultural indebtedness affected by the rise in agricultural prices, this Group on the 10th March last in a cut motion, to which my friend, Mr. Azhar Ali, has referred, called Government's

attention to the opportunity of endeavouring to establish permanent improvement and benefits by framing a comprehensive policy of co-ordination of the many agricultural problems. The great need for Central control was stressed although it was recognised that agricultural policy must in the main be carried out by provincial units. We asked if a fixed minimum price for crops could not be established in all Provinces, and Central arrangements made for dealing with surpluses and deficits. We suggested careful planning of crop production, improved methods of agriculture and irrigation, subsidising backward areas, cheap medical facilities for cultivators, assistance in better housing and sanitation: all towards the first step in any scheme for the rehabilitation of agriculture, namely, the improvement of the standard of life of the cultivator.

In his reply on the 10th March, 1943, the Honourable Sir Jogendra Singh agreed that the Government of India must remain for a long time a vitalising centre and a co-ordinating centre. He held that the solution of agricultural debt depended on cheap short and long term credit, and he said he was hoping to examine the problem in all these aspects. He admitted that even in normal years our production was not sufficient to give all the people a balanced diet but stated we could not increase production without guaranteeing an adequate return to the growers in money value. He felt that only by careful planning of production, creation of agricultural credits, supported by a financial policy which had no other aim but to make a better life for all the people of India, could the seed be planted for the permanent benefit of the agriculturist. He reminded us that we already had a great corpus of knowledge and experience on the technical side readily available for application once funds were provided and a policy laid down. He said—and these are his own words: "What is wanted is a policy to inspire and money to give birth to the dry bones of knowledge and research and make the dry bones live". He hoped to start rapid soil sampling and testing of sub-soil water supply in areas that have remained untilled to find out whether it was possible to reclaim some cultivable lands for the production of crops and for afforestation. He had under examination the question whether leaf mould from our forests could be composted and its nitrogen content improved, and another question under active consideration was how to make larger use of our town refuse as manure. He mentioned the great scope for the development of other sources of food, such as milk, fish and eggs, and that he hoped to do something permanent for animal husbandry by spreading modern knowledge of methods of feeding and breeding. So far as I know, Sir, we have not been told the results of all these hopes.

Coming to the debate on the food situation on the 15th of November last, the Honourable Sir Jogendra Singh said that the need of the moment was to take a warning from the present, to plan for increasing production for the future, providing for paying employment for surplus village population and to raise generally the living standards of the agricultural producer as well as urban labour. He told us, however, that agriculture, education and health were primarily the concern of the provinces and that it was the constitutional position that beyond offering occasional advice, the Centre had no direct responsibility. He confessed that he was not satisfied with that and said that if India was to resolve the economic deadlock, it must have centralised direction, centralised finance and centralised activities. He concluded with an assurance that Government was resolved now to fight poverty and to raise the standard of living both in the villages and towns.

Then on the 17th January last we were given the benefit of the Honourable Sir Jwala Prasad Srivastava's views when he, as Deputy President, opened the first meeting of the General Policy Committee of the Reconstruction Committee of Council. He stated that comprehensive reports were now available on various subjects which included agriculture, forestry, fisheries and education, and that the opinion of the appropriate policy committee would be obtained on important questions of policy arising out of these reports. He told us of the recent decision to appoint experts called Development Officers who would tour provinces and States and assist in the development of pro-

[Sir Henry Richardson.]

vincial plans. He reiterated that one of the first objects of the committee's policy should be the improvement of the conditions of agriculture and of life in the rural areas, combined with the extension of irrigation schemes of all kinds. Referring to the probability that the end of the war would mark for the first time in the history of India the extinction of or at least a very large reduction in agricultural debt, he said that every effort must be made to consolidate the ground gained and to place agriculture on a permanent prosperous footing.

Coming to still more recent times, on the 24th February last, in another place, the Honourable Sir Jogendra Singh stated it was necessary to stabilise the prices of agricultural products, which would pay a fair wage to the agriculturist, so that these people could purchase more manufactured goods. He also stated that for any programme of raising the standard of living at least 80 per cent. of the rural population would have to be taken off the land and given work in other industries. He again reiterated that government are now engaged in examining this problem in all its aspects and planning for after the war.

Now, Sir, that is the history. What is being done? We are very much in the dark as to when the Government's plans are going to be developed. Are we limited by funds? If so, what portion or particular aspect of this important problem is to receive attention? I do hope that Government will take the opportunity afforded them in this debate of throwing some light on all these many problems. I have reiterated all these hopes that have been given us by various Government members since last year; and we have not had, so far as I can tell, any information regarding them except these statements that they are under active consideration. May we hope that something more than active consideration will be given us today?

Mr. Kailash Bihari Lall (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadian): Sir, I support the Resolution. I think no more useful resolution could have been tabled in this House for the sake of agriculture in this country than this Resolution. But I confess I fail to see what anti-inflationary effect it may have. This much I understand that the Government is very much in earnest to have anti-inflationary measures to draw out some money from the people; and only the other day we saw that the Government was anxious to draw out money from the pockets of the people by raising the railway fares. I think perhaps this suggestion in the Resolution is a better proposition for the Government to draw out money from the people by way of loan in order to return them some good in a tangible form; and from that point of view, I think that there will be no objection on the part of the Government to accept this resolution.

Now, so far as the 'grow more food' campaign is concerned, I think that campaign for infants should attract more of our attention than the 'grow more food' campaign for adults, and I would lay more stress upon that campaign for infants, that is, in the form of milk. We have seen how it has been brought to the notice of the Government in this very House that milch cows are practically disappearing, and how dear the milk is selling in the market, so much so that it has now gone beyond the reach of ordinary people. It can very well be imagined what will be the fate of the children or the growing man. So, if the Government is earnest in making provision for people in the form of nutrition, they should pay more attention to the supply of milk; and for that purpose this proposal before the Government is one which deserves serious attention. Now, I want to make a suggestion in connection with 'grow more food' campaign. Up till now whatever effort the Government has made has not been successful so far, although we may see here and there in demonstration farms some school children growing some vegetables in their school compounds or some Government servant growing some food in his compound in order to please his superior officer; some high-placed Government officials may do this to show that they

are alive to the demands of the time. But these things cannot help. If at all Government is going to be serious in its effort to help the agriculturist, I may inform the House that whatever money is granted to provinces, or by the province to the districts or by the districts to the sub-divisions to be spent through the local advisory committee is not known to the vast mass of the people. Even the local advisory committees are not known to the people; not to speak of the composition of these committees, most of the people do not know that such committees exist at all in the districts; and it is through such local advisory committees that arrangement is being made for the distribution and expenditure of the fund for the 'grow more food' campaign. My Honourable friend, Mr. Abdul Ghani, here tells me that even the amounts which are given to the local advisory committees or other bodies have lapsed. And then what can be said of 'grow more food' campaign can well be understood. If we want to make the 'grow more food' campaign successful the Government should take people into confidence, and such persons should be on the advisory committees or any other machinery that may be set up for helping agriculture as can really be useful. My Honourable friend, Mr. Abdul Ghani, says that even the amount that is now given lapses, and with what face can we ask that there should be more funds?

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): That is the fault of the Government.

Mr. Kailash Bihari Lall: Though the amounts may lapse now, I say that if you take up the matter seriously, more money will be required, if you manage things in a proper way. When I was in the Bihar and Orissa Legislative Council, every year the budget used to come with some provision for irrigation department, but they were all to be spent for establishments of the irrigation department. And there were no schemes for helping irrigation. If that be the way in which the Government of India proposes to help the 'grow more food' campaign, then no real object will be served. Let me tell you that if you want to spend the money in the best way, then take people into confidence and provide them with more facilities for irrigation, because the difficulty at present is you do not know how the money has been spent. You have only to show paper accounts to the world that you have spent so much money over such and such a project, whereas people do not derive any benefit out of it. At present you require zemindars and cultivators to maintain irrigation facilities and other things at their own cost. But if you are really sincere in the 'grow more food' campaign, you should provide free irrigation facilities to the cultivators. That is one way of spending your money more fruitfully. If you adopt the policy of making irrigation free to the cultivators, whatever be the cost to you, then automatically you will get more food grown. But by mere slogans or having more committees and more establishments and more engineers you cannot help the 'grow more food' campaign. You may have a large amount of money at your disposal or you may have big establishments. You may spend money on them but you cannot have more food though you may have the satisfaction of seeing the compounds of schools of children and big officials with more food plants. That may be pleasing to you, but if you really want to help the 'grow more food' campaign, make it a principle for you to give irrigation facilities free to the cultivator. That is the best way of helping him.

One word more. As far as my experience goes, there is lack of agricultural implements in the provinces. So far as I know, there are not even a few good tractors in order in Bihar. If a cultivator wants to bring under cultivation a large tract of land and wants some tractor, the Bihar Government is unable to give one. Cannot you make provision for such implements of agriculture, so that you may really help the 'grow more food' campaign? There is a good deal of scope for helping agriculture and the 'grow more food' campaign if you float such a loan and you will see the results in a very reasonable period of time, and you will have helped the agriculturist in a really tangible manner. With these words I support the Resolution.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Agriculture is the most important industry of the people of India. Nearly 70 per cent. of the population is directly dependent upon it and about 90 per cent. is directly or indirectly connected with agriculture. Therefore, on the prosperous condition of agriculture depends the prosperity of the country. But what is the present position with regard to agriculture in India? It is in a very depressed condition. The yield of crops from cultivation in India is very small compared to the yield in other countries, and the reason is that the cultivator here is poor. He cannot afford to leave his land fallow, he cannot procure good seeds, he cannot procure proper sort of manure, he does not possess the implements which are necessary for carrying on agriculture in the proper manner. For this purpose, therefore, some assistance should be given to the agriculturist.

The question now is: Where to get the funds? It has always been stated on behalf of the Government that, although it is their intention to improve agriculture, funds are lacking. Now, my Honourable friend in this Resolution has pointed out a source from which the funds may come. He has suggested that Rs. 10 crores may be borrowed by Government for the purpose of agricultural improvement. The Honourable the Finance Member told us yesterday that the credit of the country is very good and that the loan operations of last year were a magnificent success. Therefore, it is desirable that, for the present, immediately—a loan of Rs. 10 crores should be raised in order to finance the most important industry of the country. Agriculture is important in normal times, but in these abnormal times the importance of agriculture is all the greater. We had a most disastrous famine in Bengal a few months ago and scarcities in various other parts of the country. The result of these

I.P.M. famines and scarcities has been a debilitation of the health and energy of the people and a general reduction in their working power. In order that we may avoid such a calamity in the future, the immediate need of the hour is to take steps to improve agriculture. Agriculture can be improved by various means, by bringing land which is at the present moment uncultivated into cultivation by the use of tractors and by the use of improved implements. Then again, the spending of larger sums of money will improve the quantity of food that is grown on the fields which are now under cultivation.

There is another aspect of the question to which this Resolution refers. The borrowing of ten crores of rupees will have an anti-inflationary effect, and that should be welcome to my Honourable friend, the Finance Member. Borrowing is a legitimate weapon for this purpose, because borrowing will not lead to any hardship on any party in the country at the present moment, but taxation will. We have been overtaxed during the last four or five years and to put a further burden of taxation on the people, even for the purpose of improving agriculture, would be laying an intolerable burden on them. Therefore, borrowing is a much better way of financing agriculture than further taxation.

Now, Sir, as regards anti-inflationary effect, I should like to point out that not only directly but also indirectly it will produce that effect. Directly, of course, it will take away a large sum of money from the people but indirectly it will help the production of goods for the consumption of the civilian population and that, in itself, will be a great check to the anti-inflationary movement. Therefore, looking at the question from all points of view, we should not have any doubt in our mind regarding support being given to this Resolution. I am glad to find that my friends of the European Group have already given their support to this Resolution and I do not think there is anybody in this House who will fail to lend his support to a Resolution which will have a very beneficial effect not only on the agricultural population but also on the entire population of this country.

Mr. J. D. Tyson: Sir, in the Resolution before the House, the raising of a loan of 10 crores of rupees to be earmarked for purposes of subsidising agriculturists is put forward as an anti-inflationary measure and I take that to be the

principal object of the Resolution. (*An Honourable Member:* "That is one of the objects.") The House will not wish to hear me on the question of anti-inflationary measures. That aspect of the Resolution I shall leave entirely to the Honourable the Finance Member and I shall try to meet the points that have been raised about "Grow More Food" and "Agriculture". Perhaps I had better take the points in order, so as to cover the grounds, as far as I can, in the time at my disposal.

There are, of course, certain definite limits to what can be done in the short term for "Grow More Food" but I am ready to maintain that the Central Government, who cannot themselves grow more food but can only assist Provinces and States to grow more food, have done and are doing what they can. I would say straightaway that every promising method of producing more food for which assistance has been asked for has been accepted for help and financed by the Central Government in one way or another. I do not say that we have financed the whole of each scheme but we have sometimes financed the whole, sometimes financed part of the scheme on a 50-50 basis or 25-75 basis. Mr. Deshmukh asked for information about our scheme for financing the diversion of lands under short staple cotton to foodgrains and mentioned that we had given a subsidy of Rs. 2 an acre for land so diverted. That is perfectly correct. In the first year of the 'Grow More Food' campaign, we offered a subsidy of Rs. 2 an acre for land so diverted. I have not got the actual figures of the amount of money spent. (*An Honourable Member:* "What is the total amount?") We did spend from the cotton fund Rs. 28 lakhs that year, most of which must have gone for diverting short staple cotton land to food growing. In Mr. Deshmukh's own province of the Central Provinces, I find that nearly 6 lakh acres which had been under short staple cotton were diverted to foodgrains and I think it may be taken, though I have not got the detailed figures, that 12 lakhs of money went to the C. P. for that purpose: and I can assure my Honourable friend that we and the Government of the C. P. took every care that the Rs. 2 per acre should go to the actual cultivator.

Then, the Honourable the Mover of the Resolution asked what was meant by concessional rates for seeds and manures. That, Sir, is very simple to answer. We know that to give the cultivator manures like oil-cakes, is one of the best ways, provided the monsoon is favourable, of increasing the crop on any given piece of ground. The cultivator may not be able to pay more than a certain sum for these fertilisers.

Mr. Govind V. Deshmukh: What amount was spent? My point is about the amount. I have been asking for information as regards money.

Mr. J. D. Tyson: Help has been given to various provinces in this way and I am afraid I could not give the total amount involved. I was saying that the way it works is that the Provincial Governments buy the oil-cake, or whatever it may be, at a certain price and they sell it to the cultivator at the price which they believe the cultivator will pay and the difference between the two is met from Government funds, and generally we share that difference with the province. I am sorry I did not understand the Honourable the Mover to ask for the total figure and I am afraid I could not get that out of the figures before me at short notice for we have helped a number of Provinces in that way.

Mr. Govind V. Deshmukh: That may be, but I had specifically asked with regard to the payment.

Mr. J. D. Tyson: I did not understand the Honourable Member and I am afraid I cannot give way because I have very little time.

Then, he referred to a possible shortage of labour for growing more food. Now, Sir, it happens that a few months ago we took up this matter with Provincial Governments and we wrote and asked them—we had particularly in view the effects of recruitment to the army—we asked them in a general way and with particular reference to recruitment to the armed forces and for labour on military works, how far any shortage of labour for agricultural purposes had resulted? The answer that we got from the provinces was that except in very few small areas where recruitment had been particularly heavy or where large military works were being carried on, there had not been such a drain on

[Mr. J. D. Tyson.]

labour as to affect the "Grow More Food" campaign. It is difficult to avoid in certain areas the movement of agricultural labour, which is paid, everyone knows, a very small wage, to military works like aerodromes where the wages offered are very much greater.

Then, a reference was made to a shortage of bullocks for ploughing. We have kept in touch with the provinces over this and we have got no evidence that there is an actual fact any shortage of bullocks except, again, perhaps, in certain small and definite areas. A reference was made to the Resolution passed in the Bengal Assembly the other day which was in somewhat general terms. I saw it in the newspapers; we have not received a copy yet. But since then I find that the Honourable the Minister for Agriculture in the Bengal Assembly, in answer to a question, has said that the Government of Bengal were aware of the fact that in certain areas there had been a loss of plough cattle from disease, starvation and military requirements for meat and also that the price of cattle had increased by five or six times. He did not, however, admit that many cultivators had stopped their cultivation for want of cattle or due to their inability to purchase cattle. I can assure the House that the available figures of slaughter of cattle do not show that there can, for India, as a whole, be any shortage of cattle for cultivation purposes. From the marketing report on Hides and Skins we know that the annual slaughter, for ordinary civil purposes, is about 5½ million cattle, and I think that has to be put against the death roll from natural causes which is, I am speaking from memory, about 14 millions and against a cattle population of over 170 millions. His Excellency the Commander-in-Chief in another place in August last gave the slaughter for military purposes as under 300,000. I think there may be a certain pressure on cattle because there has undoubtedly, in spite of what some Honourable Members believe, been an increase in acreage under cultivation and therefore there is some pressure on the supply of ploughing cattle. And that is one of the reasons why the price of plough cattle has gone up.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. J. D. Tyson: Sir, I started off by saying that there are limits to what can be done in the way of growing more food in the short term and with war-time difficulties; but I wish to emphasise once again that finance has not been one of our difficulties. During the current year, 1943-44, we accepted liabilities to Provinces and States in aid of "Grow More Food" to the extent of about 83 lakhs in grants, that is, in subsidies, and double that amount in loans,—that is one crore and 65 lakhs. It may be that some of these schemes will not be completed during the current year before the 31st March, but there will be no difficulty in regranting next year anything that is required to complete a scheme approved for assistance this year. For the next budget year, the year which has not yet begun, we have already accepted commitments to the extent of 65 lakhs for grants and 75 lakhs for loans; and I should like to underline the fact that this represents the element of help from the Central revenues only. Many of these schemes are on a fifty-fifty basis or 25 per cent. from the centre and 75 per cent. from the province. So, these figures which I have given and which are considerable figures actually represent a very much larger help from the State to the cultivator than the mere figures themselves would indicate. And over and above that, the provinces themselves have schemes of their own which we are not financing. Sir, I have no time to say in detail what the result of all this has been: but as the Honourable the Mover is interested in short-staple cotton I should like to say that the normal area under short-staple cotton in India is 18·8 million acres, and the area during the current year is

8·8 million acres. We have more than halved it, and the balance has gone to foodgrains. Again, to take a staple crop like rice, I do not claim for Government any credit for the bountifulness of the harvest except in places where we have been able to give fertilisers. I do claim, however, that an extra acreage of 4½ million acres is very largely due to the "Grow More Food" campaign.

Now, Sir, I should have liked to have had a little more time to deal with the very interesting and important points that have fallen from my Honourable friend, Mr. Lawson, and his Party. But I must say that, in agreement with the Honourable the Mover himself, I took the Resolution before the House to deal with short term matters. The Mover himself said, for example, that he would not deal with Sir Purshotamdas Thakurdas's scheme because that was a long-term scheme. In this view I came prepared to talk about "Grow More Food" and not about long-term reconstruction schemes. But I would like to say this,—that whereas in the first year when we asked the provinces to "Grow More Food", the provinces naturally put up any schemes which they could quickly put up and we accepted them and financed them piece-meal and without requiring any definite programme, this year we have quite definitely tried to canalise the schemes that are coming up from the provinces into certain channels, maintaining their short-term value but giving them a long-term aspect. Still more is this so as regards the schemes for next year. I might illustrate that by some instances. Take water. Water is the thing that we most need for growing more food and for ensuring that crops which are grown come to fruition. We have two big schemes connected with the name of Sir William Stampe,—Schemes in Bihar and in U. P.,—which, I hope, will be producing water for the next *rabi*. We have given ten lakhs for 50 lakh scheme for digging tanks in Bombay; we have financed a scheme of wells in Madras; we have financed, to the extent of a 3½ lakhs grant, a dam in the C. P. for damming up water in a valley and we have given that Province a loan of 25 lakhs for wells. That is about water. Take seed. We have given assistance and are giving assistance to provinces for improved seed multiplication schemes and for the distribution of improved seed. This serves a definite long-term purpose. Again, take fertilisers. Sir Henry Richardson referred to our town refuse fertiliser scheme. That, I am glad to say, was introduced last year, has met with ready response from provinces and is going ahead very well. Its effects will proceed in a geometrical progression now that it has started. Then with regard to village composting, we have been doing our best to encourage it. We have asked the provinces to put up schemes and we have a scheme from one province already. With regard to statistics, we are financing schemes for improvement of statistics, in two provinces at first, rather on an experimental basis; and we are also financing schemes for clearing more lands. All these things have a very definite long-term aspect, and in these ways we are trying to get our assistance to the "Grow More Food" campaign to carry a long-term aspect as well as dealing with the short-term problem.

Sir, I have perhaps exceeded my time, but I would say again that we have all the funds we require to do all we can for the "Grow More Food" campaign.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I rise to support the Resolution and I hope my support will be remembered by the Honourable the Mover and he will support me day after tomorrow when the Hindu Marriage Bill come up! My Honourable friend, Mr. Tyson, has made a very good speech which is sympathetic towards this Resolution, and I must thank him for it. But he has dealt with only one part of the Resolution, namely, the improvement of agriculture. He has not dealt with the other question in the Resolution which also I consider to be very important, namely, increasing the milk production. For the improvement of agriculture, it is absolutely necessary, in my opinion, that we must improve the cattle wealth of this country, and this cannot be done if indiscriminate slaughter of cattle is allowed to go on. The number of cattle slaughtered every day is very large and I think the annual figures run into millions. I would request Government to stop this slaughter of cattle, by which I mean cows and buffaloes principally. By stopping this slaughter they will improve both agriculture and milk supply.

[Babu Baijnath Bajoria.]

Some idea of the number of cattle which are being slaughtered in this country can be gathered from the figures which, with your permission, I would like to place before this House. The number of cattle slaughtered in five slaughter-houses in Calcutta in 1941-42 was:

Bullocks and cows	53,174
Buffaloes	22,814
Calves—even calves are being slaughtered, most of them female calves	2,270

The total comes to roughly 80,000. This figure relates to only one city and you can easily imagine the total number of cattle which are being slaughtered throughout this great country. This must be stopped. If the Government says that it is a provincial matter, I will say, "No, Sir, it is not". These cattle are being slaughtered for military purposes, to feed the Indian and the foreign army in India. If beef is such an essential part of diet of American and British troops in India, they can import it from Australia, but they should save the cattle wealth of this country. Sir, I have given a comprehensive Resolution on this subject and if ballot favours me, it will probably come up for discussion sometime during this Session. The Honourable the Leader of the House is nodding his head, so probably I may not have a chance again. I would, therefore, like to speak at some length here.

The slaughter of calves cannot be justified under any circumstances and steps should be taken immediately to stop any further slaughter of calves. I am speaking only on economic grounds; for the time being I have left religion at my house. As regards bullocks, they are the main source of ploughing in this country; without bullocks there can be no agriculture and so an age limit must be fixed so far as bullocks are concerned. I would suggest that at least 15 years should be the minimum age limit for the slaughter of bullocks, and after that . .

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadian Rural): Super-annuated!

Babu Baijnath Bajoria: . . . if the bullock is not fit for ploughing, I would not support its slaughter, but still I will leave it to the option of the Government to do what they like. As regards cows, it pains us—not only Hindus, but Muslims also because she gives milk not only for the consumption of Hindus but for everybody, Hindus, Muslims, Sikhs, Christians, Parsis alike—it pains us to see that she is being slaughtered also. Sir, I would suggest that cows in milk should not be slaughtered at all. But what do we find today? Even pregnant cows are being slaughtered.

Maulvi Muhammad Abdul Ghani: May I draw your attention to what is happening in Bengal? Mr. Ganguli is slaughtering cows for supply of beef to Military department.

Babu Baijnath Bajoria: The Honourable Member has come late; if he had come earlier he would have listened to what I have said about slaughter of cows in Calcutta.

Sir, as regards cows, no pregnant cows or cows in milk should be slaughtered at all. It is a purely economic question and I think Government must pay serious heed to this. I understand, Sir, some notification has been issued by the Central Government that milch cows should not be slaughtered at military slaughter-houses, but unfortunately that order has been misinterpreted by the officers in charge. When the cows become dry after their lactation period, they think that those cows have gone dry, although as a matter of fact they may be in calf and they may be capable of giving milk after a few months. This point should be clarified and cows which are capable of giving milk after lactation period and those which are in calf should not be slaughtered at all. If the Government say that it is impossible, under the present conditions, to accept the total abolition of slaughter of cows, I would, against my own conscience, go to the length of saying . . .

Mr. Govind V. Deshmukh: And against your own religion, which you have left at home.

Babu Baijnath Bajoria: Yes. I have already said so. I would go to the length of saying that those cows which are not capable of giving milk and which are no longer an economic unit, may be treated in any manner in which Government likes. (Interruption.) I am agreeing to that conditionally. My conditions are that calves should not be slaughtered at all, that bullocks under the age of 15 should not be slaughtered, cows in calf and in milk should not be slaughtered. If they accept these conditions, I think it will go a long way in preserving our cattle wealth to some extent. I think there should be a very strong campaign throughout the country against the way in which cattle are being slaughtered at present. I am glad that even the Muslim League Ministry of Bengal have taken up this matter and have started this campaign in the province of Bengal. Sir, I will read a report which appeared in the press:

"One-day closing in the week of slaughter houses throughout the province is one of the proposals now under consideration of the Government of Bengal in connection with their 'Save Cattle Campaign'. It is learnt. Another proposal which Government desire to advocate in this connection among the meat consumers—civil and military—is to have one meatless day in a week. The closing of the slaughter houses for one day in the week when enforced, is expected to save in Calcutta alone about 8,000 heads of cattle, including more than 200 plough cattle.

Besides these measures, Government have also decided to take steps to replenish the stock of plough cattle of the province by bringing them from outside, and are now in correspondence with the Government of Bihar on the matter."

But the whole point is this: Coming as you do from Bengal, you know, Sir, what a terrible famine has occurred in that province. Bengal is not yet out of the wood; capable experts think that there may be—God forbid—another famine this year. Under these conditions, Bengal Government is a famished Government of a famished people.

Sardar Sant Singh (West Punjab: Sikh): Like you—an outstanding example!

Babu Baijnath Bajoria: So it is absolutely essential that the Central Government must place ample funds at the disposal of the Bengal Government and should earmark it specially for this purpose, namely, for rehabilitation and for the improvement of agriculture in the province of Bengal and for improving the cattle wealth of that province. If this is not done, God forbid, agriculture in Bengal will suffer very considerably. Sir, I must thank Mr. Tyson for reading the portion of the cutting which I wanted to read myself, but he conveniently did not read the latter portion of it, which I will do for the information of the House. Sir, the Bengal Minister has admitted that "there has been great loss of plough cattle and to enable cultivators to purchase cattle, agricultural loans have been distributed in some districts. All necessary steps have been and continue to be taken to combat the cattle epidemic." The cattle question in Bengal is a very serious one. Even in ordinary circumstances the cattle of Bengal are not noted for being strong. The bullocks are not as strong as those of the Punjab; neither are the cows as healthy as those of the Punjab. The cow there hardly gives one seer of milk under normal circumstances.

Mr. N. M. Joshi (Nominated Non-Official): You do not feed them well!

Babu Baijnath Bajoria: How can the poor agriculturists feed them when they cannot feed themselves or their families? I quite agree that poverty is the root cause of this evil and until poverty of the masses is not removed, substantial benefits will not accrue. But still it is our duty . . .

Mr. Deputy President (Mr. Akhil Chandra Datta): You have one minute more.

Babu Baijnath Bajoria: That will be sufficient. Still it is our duty to take all possible steps to improve the cattle wealth of this country because on it will depend the milk products and so far as vegetarians like myself are concerned, milk products are the only nourishing food that they can get, and this will improve the agriculture of the country. I hope Government will take steps to implement the suggestions which I have made.

The Honourable Sir Jeremy Raisman (Finance Member): By giving a financial or monetary colouring to his Resolution the Honourable Member has made it necessary for me to reply, although it appeared in the course of the debate that most of the subjects on which he wished information and wished to ascertain the

[Sir Jeremy Raisman.]

(Government's attitude were subjects for my Honourable friend, the Secretary of the Education, Health and Lands Department to deal with. I personally have very little to say and the half hour which would normally be available for me is far more than I would require, whereas Mr. Tyson could no doubt have spoken at greater length. However, Sir, the Resolution asks that a loan of Rs. 10 crores be raised. That in the light of what I said yesterday, the House will have no difficulty in appreciating, raises no difficulty whatever because our policy is, in pursuit of our determination to counter inflation, to increase borrowing to the maximum extent in order to reduce the abundance of free purchasing power. It is undoubtedly the case that to raise money in this way has a salutary and anti-inflationary effect. So I have no difficulty whatever in accepting that part of the Resolution.

Now, again, it will be clear from what Mr. Tyson said that the Government view with fullest sympathy all efforts to grow more food, and indeed to increase milk products in the country and they have been pursuing this matter with the Provincial Governments. Mr. Tyson made it clear that finance has not been the obstacle and I confirm that. If only from the point of view of countering inflation it is necessary to increase production, agricultural as well as industrial whenever that is possible. The production of more food and more commodities of any kind helps to improve the economic position. The Government are fully aware of that and they are anxious to assist in every way they can to mitigate the scarcity of the goods which the people require. In particular, in regard to food, which is an absolute necessity of life, the Government are extremely anxious to increase production. They have therefore, as has been explained, addressed the Provincial Governments. They have been in close touch with them, and I do not think any Provincial Government has had any difficulty on the score of finance in pursuing any project which was capable of contributing to the end which we all have in view, namely, the increased production of food.

As regards the beginning and end of this Resolution, therefore, the Government are entirely at one with my Honourable friend the Mover of the Resolution. If any difficulty arises it arises from the phrase "earmarked for purposes of subsidising agriculturists to grow more food". My Honourable friend, Mr. Lawson, pointed out the difficulty about the word "earmarked". It is the usual salutary practice of Government finance that money which is received on the one hand goes into the common purse and money again is devoted from that common purse to various objects which Government approves and which are considered desirable. It is not our practice to create as it were separate channels of receipts running direct to expenditure, and it is clear that if that practice were multiplied it would upset the whole basis of ordinary Government finance. Moreover, the amount that you can borrow at a particular time is not necessarily a proper indication of the amount that you may wish to spend on any particular purpose. So that I do not like the word "ear marked" and again the use of the word "subsidising" involves difficulties. The Honourable Member has given his Resolution an anti-inflationary title so to speak. Well, subsidies may, in certain circumstances, fail to be anti-inflationary. In fact, they can even be seriously inflationary. To take an example: supposing that a small quantity of additional production could be secured by an entirely disproportionate amount of additional finance. Supposing, say, that by investing 10 crores you produce half a crore's worth of food; then that would have an inflationary effect; 3 P.M. you will pay out 10 crores and the additional goods or additional food that came into existence would be so disproportionate, so inadequate that the resultant effect would be definitely inflationary.

My Honourable friend talked about subsidies in other countries and I think he confused subsidies of the type which he is advocating with subsidies of another kind. I am not familiar with the position in America, but I know what the position is in England. In England it has been decided, as an anti-inflationary measure, to subsidise the prices of essential articles of food. It was considered that if the Government kept the prices of

wheat down to a certain figure by paying a difference to the producers, the effect on the general price structure would be such that in the long run the Government would be benefited by it, and the economy of the country would be benefited by it. In the conditions of England that is undoubtedly a justifiable and sound policy. It has even been suggested that that kind of subsidy should be resorted to in India; and indeed there have been certain transactions of the Government at times which have amounted to nothing less than the subsidisation of food. Although we have been charged in this House with attempting to make profits out of food, the fact of the matter is that we have never intended to do that, and if ever on any particular transaction a temporary surplus has emerged it has always been reimbursed to the area or the classes which contributed to that surplus. But the other kind of situation has arisen too. It has happened that we have acquired food at a price which we did not think it wise to charge to the consumer because of the effect it would have on local prices, and we have suffered losses by selling food at less than it cost us. That, in the conditions of India, could be a very expensive matter indeed; and whilst in principle I should be quite prepared to see food subsidies adopted if it were practical finance, I do not believe that it is practicable.

However, that is all by the way, because that is not the type of subsidy which my Honourable friend had in mind, and I think incidentally that the American subsidies which he was talking of, are also subsidies of the same kind as the subsidies in Britain; in other words, what the American administration had in mind was to reduce the cost of certain elements in the price level of food by direct subsidy from the treasury; and that was resisted, curiously enough, by the farm bloc, which objected to any action which would keep down the prices of the products in which they were interested. The subsidies my Honourable friend has in mind are subsidies for the production of food. I am quite free to admit that there may be circumstances in which it is desirable to have resort to subsidies of that kind, and in fact we do so and we are doing so; but my difficulty arises from the fact that the Honourable member's Resolution, as worded, would bind us to proceed entirely by the method of subsidy. He would say that all the money you raise must (a) be earmarked and (b) be expended by the method of subsidy. Our experience—and we have a certain amount of experience now in the grow-more-food campaign—shows that that is not necessarily the best way to use the money. After all, it must be remembered that prices at the present time are very high, and they in themselves provide a powerful economic incentive. It is true that there is scope for Government assistance; there may be works, irrigation works, of a kind to be carried out which the agriculturist himself without assistance might not be able to carry out; there is the question of obtaining manures and so on, facilitating supplies of certain requirements which the agriculturist needs in order to increase his production; so that there is scope for Government assistance; but it does not follow that there is always justification for a Government grant; or, where there is justification for a grant, it does not necessarily follow that that grant should cover the whole of the outlay required in order to finance the additional production.

So, I feel difficulty in committing myself either entirely to the method of subsidy or to full subsidisation in cases where the method of subsidy is justifiable. As one of the speakers pointed out, I think it was Mr. Lawson, if you did raise a certain amount of money for financing this object, it might well be that you could best use it as a revolving fund; you might get additional production started in certain areas which would be able to repay at any rate part of the finance applied, and you might then be able to use the money again for other purposes. I am not sure whether my Honourable friend the Mover of this Resolution is wedded to the full implications of all the words which he has used. As far as I am concerned, as far as the Government are concerned, they would, provided that what I have said is clearly understood, have no difficulty in broadly accepting a resolution of this kind. It is quite clear on the one hand that we will do and are doing everything possible to step up our borrowing, and on the other hand, we are doing and we are prepared to do everything that is possible and useful in order to grow more food; and for that matter increase milk products,

[Sir Jeremy Raisman.]

as a part of the additional food production campaign. The only thing as I say that we cannot precisely commit ourselves to is the implication of the phrase "earmarked for the purpose of subsidising". If the phrase used were "for the purpose of assisting", then I should see no difficulty at all in Government accepting this Resolution as it stands; but in any case I feel that Government's object and Government's present policy are sufficiently in line with the objects of the Mover of this Resolution, not to make it worth while for us formally to register any difference of opinion.

Mr. E. L. C. Gwilt (Bombay: European): Sir, Mr. Lawson has already stated the attitude of this Group towards the Resolution as a whole; there is therefore no need for me to deal with it in its general terms, except to reiterate that we are generally in sympathy with the motives implicit in it. I would like to confine my remarks to the emphasis that has been laid upon a possible milk shortage in this country. I think it is not merely a possible shortage, but that there is a very great danger of there being a milk famine in this country. There is, Sir, a world shortage of milk. When humanity goes to the assistance of those who have suffered disaster, the first food that is brought to the scene of the disaster is milk. So when the countries which are now in occupation in Europe are liberated, milk will assuredly be the food which will be in greatest demand. I happen to know that even now it is extremely difficult to get milk products from outside India despite the fact that a very large amount of milk has been sent from abroad to the famine areas of Bengal. I understand my Honourable friend, Mr. Tyson, said that the provinces were very conscious of a possible milk famine within India and were doing everything they can to meet this. To that extent I feel.

Mr. J. D. Tyson: My Honourable friend will pardon me if I interrupt him. I do not think I referred to a milk famine at all. I was referring to bullocks for ploughing.

Mr. E. L. C. Gwilt: He was referring to cattle?

Mr. J. D. Tyson: Yes, cattle—bullocks for ploughing.

Mr. E. L. C. Gwilt: I am sorry, Sir, I was not here when he spoke, but that was what I understood the Honourable Member had said. This is a point I am most anxious about, and I would suggest that the Honourable the Finance Member in consultation with the Honourable Member for Education, Health and Lands, might consider subsidising the breeding of cattle, particularly with a view to meeting this milk shortage, possibly even the artificial insemination of cows and the rest of the proposals which I feel sure can be put forward by the Imperial Council of Agricultural Research.

There is one other point. At the risk of repetition I would refer again to the suggestions I made, when speaking on the food debate during the last Session. I wonder whether Government have taken the opportunity of studying the system whereby South Africa and, I believe, also the Argentine have of ensuring that the cultivator receives a fair price for his grain. If some such system could be evolved, as a short term plan and as a long term plan, whereby the cultivator will be assured of getting a fair share for his grain, a very great deal will have been achieved towards the success of the "Grow more food" campaign and in meeting the increasing shortage of food.

Some Honourable Members: Let the question be now put.

Mr. Govind V. Deshmukh: To start with, I will refer to the question of cattle. My Honourable friend, Mr. Bajoria, has already pointed out the terrible number of cattle that are slaughtered in Calcutta alone. Well, there are so many other places where the army is situated, and it would not be unreasonable to suggest that cattle on the same scale are being slaughtered in those places also. A remark fell, when I referred to the Bengal Legislative Council resolution, from my Honourable friend, Mr. Tyson, to the effect that if there is a shortage of plough bullocks, it may be, and according to him, it is, because the land under cultivation has increased. If the land under cultivation has increased it is your business to see that the land is cultivated; other-

wise, what is the use of having increased land? If you want to have the area extended you must certainly see that there are bullocks to plough. I am glad that Mr. Gwilt has emphasised that the dairy produce, milk products must be subsidised. He has used the word "subsidised". It will, therefore, be seen that what we are after, I am particularly after, is subsidy. It was said that I am not for the long range programme, I am for the immediate programme. True. It is a fact that Government's long range programmes have been able to achieve nothing. We have heard from the Leader of the European Group a very big catalogue of things which were promised to improve the condition of Agriculture and Agriculturists. And what are the achievements? Nil, or very small, insignificant. It seems to me then that if any Member is not making any statement for himself but for the Government, if he has given assurances not personally but on behalf of the Government, then the Government stands condemned for having made promises and not fulfilled them. The indictment made by the Leader of the European Group is a strong one and there has been no defence on the part of the Government. I am for immediate programme. Why? Because, if you do not grow more food quickly, people are dying and will die in numbers shortly. I say there should be an immediate programme, immediate relief. If there had been an immediate programme in 1941, so many people would not have died in Bengal. It is because you are merely contemplating things, doing nothing, forming reconstruction committees, rehabilitation committees, only to talk and not to do, that we have had this sad experience. You have sunk three crores of rupees in Bengal now and you will sink still more if you do not hurry up matters. Not only that. It is not only in one province, but as was admitted on the floor of the House, Orissa is likely to meet with a similar difficulty. If you go on with a slow, long range programme, what will you find? Another famine, another heavy toll which death will ask of the population in Orissa. Is that desirable? Will you follow that up with another three crores of rupees? Will you follow a similar procedure there? Why don't you follow the procedure I recommend? Hurry up. If you sink ten crores, it may be that within a year you will be saving, eventually, may be 300 crores, which you will have to sink if you follow the pace of a snail in carrying out your programme. I want Government to hurry up matters.

Certain references were made that machinery should be imported, and explanation was given that war is on. I am not very keen on having power machinery. Having regard to the nature of the holdings, having regard to the nature of the soil in many parts of the country, power machinery would not be necessary. As a matter of fact, we cannot carry on with, for instance, a tractor all the agricultural operations that are carried on in America. It may be all right on a flat land, as in the Punjab or in Sind, but if you go and try tractors as I have done on my farms where there are boulders, you cannot do much, you cannot do any other thing except ploughing. So, it is advisable to keep this attempt aside. I do not want you to spend any money on importing machinery today but what I want you to do is to spend money now on manures, on seeds and to help the agriculturist in several other ways. As a matter of fact, if you save the cattle, the agriculturist will be helped in the matter of manure and though artificial manures have their own advantages, it is really the farmyard manure which is the general tendency to recommend. Even for that purpose, you will be doing a great deal if you save the cattle.

Then, it was suggested that a stimulus should be given by this Government by putting a cess on certain food products like the coconut. Cotton is not food but mention was made of this. I think it would be a very bad policy to suggest that the growers of jowar and other food products should contribute to the development of the farms to produce food by paying a cess. It has never been done in any country. I have read a lot and I have not seen that done. As regards the nature of the relief I am asking for, it is in the form of a subsidy. It has been said that it may have an inflationary tendency. The argument is there but I submit it is a very halting defence by the Government. The argument may

[Mr. Govind V. Deshmukh.]

be there but the facts are on my side—that there is no inflation. All the Governments, big and small, have been doing it and they have been copying the example set by the United Kingdom. I think Great Britain was the first to start this before America. America used to give subsidy before the war for export but after the war they started subsidising produce they needed for maintaining the civil population and army in their own country. Subsidy has been very well recognised as having the effect of inducing the cultivator to grow the sort of food for which you are paying a subsidy. It has been given in different countries for different purposes. For instance, in some countries, it has been given for fattening sheep, for rearing sheep. In other countries, for growing wheat and so on. They select an important item of food and concentrate on it and ask the farmer to grow it and he receives the subsidy. I am not prepared to accept any argument to the contrary, when I see the example that has been followed by other countries. I am not prepared to accept the argument which has been advanced on behalf of the Government in this House by the Honorable the Finance Member.

It has been said that the economic prices are stimulating and that no subsidy is needed. Now, Sir, subsidy has a double effect. It stimulates the grower. It also brings the price level down. You want price control. You want to bring down the prices. I am suggesting to you a method of maintaining an economic price, a price which will give a fair return to the agriculturists. I am telling you to follow this method which has been followed by other countries. You will not follow that. On top of this, you will control the prices and bring them down to the level which you want. I am afraid the Government policy will not in the long run be, such as to encourage the farmers to grow more food. Is there any guarantee that the prices of food-stuffs will not go down? You must see that the growers of food are stimulated to grow the sort of food or foods that you want.

I have been told that they have done something in the nature of giving some concessional rates and the difference has been paid but I have never been told how much concession has been given, for instance, in regard to seeds and other things.

War time difficulties have been mentioned as one of the reasons in the way of the development of agriculture. I should have thought that if there are any difficulties this is the opportunity to remove them. I cannot understand how this can be put forward as a plea on behalf of the Government.

What is the difficulty in the way of the Government in accepting this Resolution. I have my own difficulty in eliminating the word 'subsidy'. I am an agriculturist. I am the President of the C. P. and Berar Agriculturists Association. I have presided over several conferences and after going through C. P. and Berar, the one thing that I have found will really be to the benefit of the agriculturist is a programme of subsidy. I may or may not succeed in getting this Resolution accepted as it is but if the agriculturists were to organise themselves in the way they did in America, they would have their things in their own way.

The Honourable Sir Jeremy Raisman: They have objected to subsidies in America.

Mr. Govind V. Deshmukh: I said they can have their own way. They were first of all for the subsidy. They got the subsidy. Afterwards when they wanted prices to go higher up still after this subsidy was given, then they said 'No'. I say the agriculturists can have their own way only if they have agricultural associations. If they can organise themselves in the way that the Railway and Textile workers have done, then certainly a day will come when the Government will have to listen to them. I have seen what the attitude of the Government is. I suppose the Government will go in the same way it has been doing as it says it has got at heart the desire to help the agriculturist. Even if I were not to accept the elimination of certain words

and phrases, it would make no difference and they will all the same help the agriculturist though not as much and in the way I want. So far as I am concerned, I am not prepared to accept the amendment suggested. Sir, I have finished.

Mr. Deputy President (Mr. Akhil Chandra Datta): The question is:

"That this Assembly recommends to the Governor General in Council that, as an anti-inflationary measure, a loan of ten crores of rupees, earmarked for purposes of subsidising agriculturists to grow more food and increase milk products be now floated."

The motion was adopted.

RESOLUTION RE DEBARRING OF GOVERNMENT SERVANTS' ELECTION TO PORT HAJ COMMITTEES.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Mr. Deputy President, I beg to move:

"That this Assembly recommends to the Governor General in Council that the constitution of the Calcutta Port Haj Committee should be revised so as to require its elected members to co-opt a member who belongs to Assam, but is resident in Calcutta for the time being."

An Honourable Member: You are moving the second Resolution in your name.

The Honourable Dr. N. B. Khare (Member for Indian Overseas): You cannot do that.

Sir Abdul Halim Ghuznavi: I can. I can move any one of them I like.

Mr. Deputy President (Mr. Akhil Chandra Datta): As the first Resolution is not barred, the Honourable Member must move it.

Sir Abdul Halim Ghuznavi: Very well, Sir. I move:

"That this Assembly recommends to the Governor General in Council that Government servants should be debarred by law from standing as candidates for elected seats on the Port Haj Committees."

The constitution which prevails in the Calcutta Port Haj Committee gives the number of members to be 19. Of these 19 members, 6 are elected by the members of the Bengal Legislative Assembly and the Bengal Council, 2 are elected by the Muslim members of the Calcutta Corporation and 4 are co-opted and 7 are nominated by Government. What this Resolution seeks to do is that in regard to the 8 elected members, Government officials should be debarred by law from standing for election. If the Member for Indians Overseas cannot see his way to debar them by law, I would request him to constitute rules in such a way that the Government officials do not stand for the membership of this Committee. It is only in Calcutta that the Government officials are allowed to stand for this election, thereby reducing the power of the elected members of the Committee. These Government officials in Calcutta take side either with one or the other of the Shipping Companies. Propaganda is made by the Shipping Companies through these Government officials who are the members of the Port Haj Committee. It becomes impossible for the elected members of the Committee to function as against the wishes of the nominated members plus two Government officials who have come in as elected members.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): But these two members have got only two votes.

Sir Abdul Halim Ghuznavi: My Honourable friend was not in the House in the beginning. There are 7 nominated members and these two elected Government officials also go with them. This makes the number of official members 9. Now, there are only 10 members left. Sometimes one of these members is absent. The 9 remaining members are the residents of Calcutta; others come from the Mufassil.

Now, the position of the Port Haj Committee is that it has to fight for the grievances of the Hajis against the Government, against the Shipping Companies and against the Provincial Government as well in regard to the provincial laws that prevail there. Now, is it possible for the two officials who have come in as elected members to fight the Government? On the other hand, what they do is that they take up the propaganda in favour of Government and the

[Sir Abdul Halim Ghuznavi.]

Steamer Companies. That is what is going on.

Sir, I do not wish to take much time of the House, but I would like to give one or two references in this connection. In the Rahim Committee Report, my Honourable friend, the Member for Indians Overseas, strongly deprecated the officials who stand for election.

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): How do they get elected?

Sir Abdul Halim Ghuznavi: By official influence. They exercise official influence which others cannot do. The *Star of India* in its leader dated the 12th December, 1943, referred to the ensuing election which is going to take place in Calcutta. I will refer to one or two sentences only. It said:

"Those candidates who are known to be ardent advocates of the causes of the Haj pilgrims and are not handicapped by being Government servants to effectively criticise and successfully fight the Government to secure the redress of the manifold grievances of the Haj pilgrims may be returned. Only those non-official persons who have the first hand knowledge of the pilgrim affairs and who are able to fight out any issue with the Government or the authorities and who have the energy to carry on the multifarious duties connected with the Haj should be chosen to constitute the Haj Committee."

Similarly, the *Star of India* dated the 7th of December pointed out in its leader:

"No member of the Committee who happens to be a Government servant can be expected to do justice to his position as such in matters of vital importance for the Haj pilgrimage in general and their existence in the Committee, therefore, becomes absolutely fruitless and futile."

As election was then arranged to take place in January the *Star of India* again referred to the same subject and said:

"In a public body official influence should be reduced to the minimum and non-official representatives of the people should have all the powers and responsibilities vested in the Board or Committee they constitute. The Port Haj Committee of Calcutta is a public institution but unfortunately the officials and the Government nominees have in it a far stronger hold than they deserve."

Then it gives the number of the Committee and says that practically there is an official majority as against non-official members. In the circumstances I submit to the House that the Resolution should be carried and Government should see that by law officials are prevented from standing for election. We have no objection to their being nominated but the nomination should be restricted to one-fifth and not more. The number of nominees is at present too many and should be curtailed. Officials should come by nomination and should not be allowed to stand for election. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Resolution moved:

"That this Assembly recommends to the Governor General in Council that Government servants should be debarred by law from standing as candidates for elected seats on the Port Haj Committees."

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, no one need be surprised that I have got up to speak on this Resolution.

The Honourable Dr. N. B. Khare: I am not surprised at all.

Mr. Lalchand Navalrai: I am glad. I support one part of this Resolution which demands that Government servants should not be allowed to stand for election to this Port Haj Committee. But I want another thing that this should not be a communal committee. It relates no doubt to Haj but members of other communities should not be debarred from it.

Sir Abdul Halim Ghuznavi: They do come by nomination.

Mr. Lalchand Navalrai: Yes, but the Standing Haj Committee that is elected by this House does not contain any Hindu Member or even one of any other community. I was wondering if there is any rule or convention debarring them but I did not find any, and therefore a Hindu or any one belonging to any other religion should not be debarred from becoming a member of the Standing Haj Committee. On the contrary they will get much help from these members of other communities in looking after and joining hands in the interests of those who go for the Haj. We find that in committees dealing with matters pertaining to Hindus only our Muslim friends are elected or nominated. Therefore,

there should be no difference made in forming committees relating to Muslim affairs, and Muslims should not have a monopoly of membership in them.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member is going beyond the scope of the Resolution and his remarks are not relevant.

Mr. Lalchand Navalrai: That is my suggestion and if they do not agree to it I will not support them in this Resolution. They should not make such committees exclusive or communal ones.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Sir, the Resolution is very simple and there is nothing communal in it as was scented by Mr. Lalchand Navalrai. The simple question is that the Port Haj Committee of Calcutta is expected to deal with matters which concern the facilities and welfare of pilgrims undertaking a sacred voyage to the Holy land of Hedjaz. Naturally there are several parties interested in putting their points of view with regard to these arrangements. The shipping companies are one party, the general public of the pilgrims are another party, the officials from the Government side who are interested in the arrangements are another party. As at present constituted, the Port Haj Committee of Calcutta, as my Honourable friend, Sir Abdul Halim Ghuznavi, has told us, is so composed that on account of the presence of members nominated by Government and of Government servants who have got in through the door of election, the majority of memberships go to them, and the preponderance of such members really puts the representation of the public at a discount. That is the complaint. If Government officials are to be in a majority and are to come by two entrances, nomination by Government and election by a certain electorate, it is obvious that the popular point of view cannot be urged and the grievances which are felt by the travelling public cannot be redressed to the desired extent and the non-official elected members cannot have an effective voice in the deliberations, decisions and recommendations of the Port Haj Committee as they would have if the official element consisting of nominated and elected members were not so preponderant as it is today. I would submit that the request made by Sir Abdul Halim Ghuznavi is a very reasonable one and I do not see how Government can afford to oppose a Resolution of that kind seeing that in Bombay and in Karachi the Port Haj Committees are so constituted that the elected popular element is in a majority. Here also the elected popular element—the non-official element—should be in a majority and the officials of course who are nominated by Government are there to advise and assist in solving the several problems that come before the Port Haj Committee in a way that they may not be decided in ignorance of facts and data and information which officials only can supply. For these reasons, Sir, very briefly stated, I support the Resolution moved by Sir Abdul Halim Ghuznavi.

Babu Baijnath Bajoria: I rise to support this Resolution. I have stood up for the reason, Sir, that my Honourable friend, Mr. Lalchand Navalrai, has said that he would like to have members of the Hindu community also on this committee, and, similarly, on committees on matters in which Hindus alone are interested he wants members of the Muslim community to serve. Sir, I do not agree with his proposal at all. In my opinion there is a very salutary convention in this House—and I think it is the right one—that matters which relate only to one community must be guided and controlled by members of that community alone. As Haj Committee has got nothing to do with Hindus, I do not think Hindus should have any place on such committees, and it must be only manned by Muslims, and among the Muslims also only those who have got reverence for performing Haj—I mean, not the reformed Muslims. Fortunately, there are not many reformed Mussalmans.

An Honourable Member: Sir Abdul Halim Ghuznavi.

Babu Baijnath Bajoria: He is a *Sanatani* Mussalman!

An Honourable Member: A new definition of Muslims.

Babu Baijnath Bajoria: I will say that this committee should be manned only by Muslims having religious views so that they can provide the maximum amount of facilities for Hajis.

[Babu Baijnath Bajoria.]

In the same way, Sir, I would also plead and request the Muslim Members of this House that they should not take active part and go into committees in which Hindus alone are interested. I am very sorry to remark that this salutary convention was not observed in the case of Hindu Codification Intestate Bill, but I hope that when the Hindu Marriage Bill comes up before this House, members of the Muslim League Party will not take active part in that and I will appeal to Muslim Members that they should not have any concern with it. It concerns Hindus only—it does not concern Muslims in any way—and I would humbly appeal to the Leader of the Muslim League Party that they should wash their hands clean off that Bill and should not serve on the Select Committee of that Bill. If they would do so, the Bill will naturally be moulded by the opinions of Hindu Members alone.

Then, Sir, while I am very glad that facilities are being given for Haj to members of the Muslim community, I very much regret that facilities are not given to members of the Hindu community.

An Honourable Member: There is no committee for Hindu pilgrims.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): The only facility given is that Haj has been stopped.

Babu Baijnath Bajoria: Government is not providing facilities for Hindu pilgrims in the same way as they are doing for the Muslim community.

Nawabzada Muhammad Liaquat Ali Khan: They are not giving any facilities.

Babu Baijnath Bajoria: I am referring now to a particular instance where people have to embark at Calcutta and go to Ganga Sagar. It is not overseas, but about 50,000 people go from Calcutta to Ganga Sagar and still very little, or absolutely nothing, is being done for the comfort of these passengers either at the port of embarkation or at Ganga Sagar itself. I have been there myself and I was thoroughly displeased with the provisions that were made. While Government is giving every facility for the performance of Haj, they, unfortunately, stopped the pilgrims from going to Ganga Sagar last year and the year before last.

Sir Abdul Halim Ghuznavi: Not the Government of India; it is the Provincial Government.

Babu Baijnath Bajoria: After all, Provincial Government gets directions from the Central Government. I think, Government would do well to assist members of both the communities in performing their religious pilgrimages and afford them every facility so that they may have to face the least inconvenience.

Syed Ghulam Bhik Nairang: The question may now be put.

Mr. Kailash Bihari Lal (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadan): Sir, I support the Resolution. I will only say a few words from the nationalist point of view. I agree with the Mover of the Resolution that there should be no more seats for the Government servants on the Port Haj Committees. I support this, and I may tell the Government that if they accept this, they would be doing real service to the national cause, but, unfortunately, they have up till now forgotten the principle of how to help the nation in the right way. Generally, it is said that Government servants are neutral in the matter of religion, but I think it would be better in the interest of their own institution if Government servants were kept aloof from thinking communally or religiously. Government may not be conscious—or Government may be doing it consciously—that even in this way, in the name of religious neutrality, some persons are let loose to think in their own way, and sometimes they do harm to the nation. I may say that although they may not be conscious about that, but all the same they are doing harm and they would appreciate this if it were only possible for them to realize that there was a time in the history of England when Queen Elizabeth of England did not even think of marrying because in case she married a consort of one community she would be taken to belong to that particular religious community and that feeling she did not like to see amongst her nationals and it was for that reason that she

remained unmarried all along. Here it is not possible for a Government servant to keep even aloof from any religious institution, and from such bodies. We may have another example in Emperor Akbar, who, in order to create the impression in his subjects that he had not got any predilection for any religion, followed *Din-i-Elahi*. That is to say, he was following neither the religion of the Hindus nor of the Muslims.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

These are the examples set by good administrators of the past, and it can be argued here for the best guidance of this Government that they should also adopt such policies and they should not allow their servants to identify themselves with any religious or communal bodies. That will surely be in the interests of the administration itself and in the interest of the nation. We know that we are suffering too much from such things even at present. It is often a matter of complaint before the Government that Government servants do take sides in the communal matters. And it must be fresh in your memory that a constable shot dead a boy belonging to a community other than his own in the communally surcharged atmosphere of Cawnpur during the communal riot. Perhaps the constable might or might not have been tried. But when those who are still higher placed indulge in communalism or help in surcharging the atmosphere, do not realise their responsibility, how much less the sense of responsibility must be that of a constable. You can then understand how much more you are responsible for keeping up a trend of thinking that may gain ground in the country; and consciously or unconsciously it is on account of such attitude of the Government in allowing their servants to identify themselves with these religious bodies that the atmosphere of the country is surcharged with the virus of communalism, and it is from this point of view that I beg to support this Resolution and I wish that the Government might adopt it in the best interests of the nation.

The Honourable Dr. N. B. Khare: Sir, the proposal made in this resolution wants that officials as a class should be statutorily debarred from serving on a public body like the Port Haj Committee. I understand in Bombay and in Karachi there are no officials elected on these Committees, but they are elected on the Committee in Calcutta alone. So this Resolution really affects only one place, Calcutta.

On principle it is difficult to justify the exclusion by law of such election. Haj Committees are not political bodies. Consequently, Government servants who represent an enlightened section of the Haj-going public should not, I believe, be deprived of this opportunity of rendering public service to their community.

Syed Ghulam Bhik Nairang: Even when the community does not want it!

The Honourable Dr. N. B. Khare: Government servants can be elected to those bodies by the permission of the Local Governments. So Government servants stand for election to those bodies with the approval of their Government. That is the position.

Sir Abdul Halim Ghuznavi: Approval or permission? Do they take permission of Government before they stand for election?

The Honourable Dr. N. B. Khare: That is how I understand it. I am open to correction.

Sir Abdul Halim Ghuznavi: In this case they do not take the permission of the Government.

The Honourable Dr. N. B. Khare: I said I am open to correction. Muslims when they are elected there, they are not elected as Government servants but as devoted Muslims.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): That does not change the position. They are still Government servants.

The Honourable Dr. N. B. Khare: I take it that they represent the Haj pilgrims as Muslims. They say Muslims are Muslims first and everything else afterwards. And it is clear that it is difficult to make such a law for one city of Calcutta.

Sir Abdul Halim Ghuznavi: It is not a question of Calcutta. I said by convention, there is no official in Karachi or Bombay. The law would be for all India and not for Calcutta.

The Honourable Dr. N. B. Khare: Well, hard cases make bad law. Then to implement this proposal, there is another door open. It can be done by amending the rules, but under existing arrangements, rule-making powers under the Port Haj Committees have been vested in the Provincial Governments.

Sir Abdul Halim Ghuznavi: The Rahim Committee definitely decided . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not interrupt.

The Honourable Dr. N. B. Khare: All right, I will give in.

(After a slight pause.)

I grant that the Rahim Report was against the practice of officials standing for election to these Committees. But I do not think Government has accepted all those proposals nor is it bound to accept them.

(Sir Abdul Halim Ghuznavi stood up in his seat.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member cannot go on like that.

The Honourable Dr. N. B. Khare: Although I am not in favour of this proposal I shall forward to the Provincial Governments concerned a copy of this debate and I will leave it to them to take such action as they deem fit in the light of local conditions in Bombay, Calcutta or Karachi. With this assurance I hope the Honourable Member will withdraw the Resolution.

Sir Abdul Halim Ghuznavi: How can they take any action for Karachi or Bombay?

The Honourable Dr. N. B. Khare: I said all the three. Then, Sir, a friend has raised the point of Hindu nomination to this Committee or *vice versa*. I won't go into this controversial matter but I will make a statement that there is a provision in the rules governing the Standing Haj Committees made by the Department that five Muslim Members should be elected from the Assembly and two Muslim Members from the Council of State. So that is that.

Then there are certain non-Muslims on the Haj Committees. The position is that these non-Muslims are official members on the Port Haj Committees who have been nominated by the Governments of Bombay, Bengal and Sind in their official capacity.

A reference has been made about difference of treatment given to the Hindu pilgrims and the Muslim pilgrims. It is absolutely an illusion. It is a misunderstanding because the Haj pilgrimage stands quite apart from all the other pilgrimages. It is a pilgrimage in which pilgrims go overseas and it is a central subject, while Hindu pilgrims do not go overseas, and it is a provincial subject; so my friend, Mr. Bajoria, should take his grievances to the Bengal Government, if he has any.

I might make it quite clear that I will forward the debates in this House to the Bengal Government and I hope that with this assurance the Honourable Member will see his way to withdraw his Resolution.

Sir Abdul Halim Ghuznavi: Sir, the Honourable Member for Indians Overseas will do well to get his Secretary posted with all that has been said in the Rahim Committee report . . .

The Honourable Sir Sultan Ahmed (Leader of the House): There is no Rahim Committee; there is a Rahim Report.

Sir Abdul Halim Ghuznavi: I have read the report very carefully and one of the recommendations is that all rule-making powers should be taken over by the Government of India. . .

The Honourable Dr. N. B. Khare: I have already said that I know the Report. —I have read it; Government have gone through the report and Government have definitely said that they are not bound to accept all the recommendations.

Sir Abdul Halim Ghuznavi: I am not questioning that; but may I point out the facts? The Rahim Report stated, first, that the Government of India should take over all the powers of the Provincial Governments and bring the powers into the hands of the Government of India, because it is a central subject. Then also he proceeds that this rule-making power given to various provinces, under which they make different rules, should be taken away, and the Central Government should make uniform rules for all the provinces. That report was considered in the Central Haj Committee and that recommendation was accepted by the Secretary who was then presiding; and later on when we met at Bombay in last May, this very thing came up before the meeting—Mr. Aney could not preside, but Mr. Bozman presided, and he accepted that, that the Government accepts the principle that all the rule-making powers should be now vested in the Government of India. I want the Honourable Member to implement that; let them make the rules for the three provinces uniformly. That will settle the matter once for all.

Then, as regards the rule-making power, preventing an official from standing, I would say this. Out of the 19 members—when the Deputy President was in the Chair I gave him the constitution of these committees—7 members are nominated by the Government, 6 are elected by the Bengal Legislative Assembly and Bengal Council, 2 by the Corporation, 4 are co-opted. But by nominating 7 members, straightaway you bring the elected number down to 12; and of the 12, four are co-opted and who knows whether Government officials may not be co-opted? If at least two of these are elected, it would be some good; unless the elected members can get two at least out of this 4, they can do practically nothing at all. The policy is that the Government officials should be there to protect their vested interests and they always oppose anything which goes against Government; that is their function on these committees and that is what I want to prevent. It was not the intention of the Legislature; also it was not the intention when Sir Fazl-i-Hussain brought in these Haj committees, that the Government officials should predominate there. In this case they are predominating in Bengal. Some rule or some method has to be found that they may not stand and swell their numbers out of the 19; and thus defeat the object for which this committee was formed. I hope that the House will carry this Resolution.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly recommends to the Governor General in Council that Government servants should be debarred by law from standing as candidates for elected seats on the Port Haj Committees."

The Assembly divided:

AYES—22.

Abdul Ghani, Maulvi Muhammad.
Abdullah, Mr. H. M.
Azhar Ali, Mr. Muhammad.
Bajoria, Babu Baijnath.
Chattopadhyaya, Mr. Amarendra Nath.
Choudhury, Mr. Abdur Rasheed.
Choudhury, Mr. Muhammad Hussain.
Dam, Mr. Ananga Mohan.
Datta, Mr. Akhil Chandra.
Deshmukh, Mr. Govind V.
Essak Sait, Mr. H. A. Sathar H.

Fazl-i-Haq Piracha, Khafi Bahadur Sheikh.
Ghuznavi, Sir Abdul Halim.
Kailash Bihari Lall, Mr.
Lalchand Navarai, Mr.
Liaquat Ali Khan, Nawabzada Muhammad.
Murtuza Sahib Bahadur, Maulvi Syed.
Nairang, Syed Ghulam Bhik.
Sant Singh, Sardar.
Siddique Ali Khan, Nawab.
Yamin Khan, Sir Muhammad.
Zia Uddin Ahmad, Dr. Sir.

Ahmad Nawas Khan, Major Nawab Sir.
 Ambedkar, The Honourable Dr. B. R.
 Azizul Huque, The Honourable Sir M.
 Benthall, The Honourable Sir Edward.
 Bhagwan Sahay, Mr.
 Caroe, Sir Olaf.
 Daga, Seth Sunder Lall.
 Dalal, Dr. Sir Ratanji Dinshaw.
 Dalpat Singh, Sardar Bahadur Captain.
 Habibur-Rahman, Khan Bahadur Sheikh.
 Haidar, Khan Bahadur Shamsuddin.
 Imam, Mr. Saiyid Haidar.
 Imaiel Alikhan, Kunwer Hajee.
 Jawahar Singh, Sardar Bahadur Sardar Sir.
 Khare, The Honourable Dr. N. B.
 The motion was negatived.

Krishnamoorthy, Mr. E. S. A.
 Kushal Pal Singh, Raja Bahadur.
 Maxwell, The Honourable Sir Reginald.
 Mudaliar, The Honourable Dewan Bahadur Sir A. Ramaswami.
 Ogilvie, Sir Charles.
 Piere Lall Kureel, Mr.
 Raisman, The Honourable Sir Jeremy.
 Roy, The Honourable Sir Asoka.
 Shahban, Khan Bahadur Mian Ghulam Kadir Muhammad.
 Spence, Sir George.
 Sultan Ahmed, The Honourable Sir.
 Thakur Singh, Capt.
 Tyson, Mr. J. D.
 Zahid Husain, Mr.
 Zaman, Mr. S. R.

RESOLUTION RE REFORMS COMMITTEE FOR BALUCHISTAN.

Mr. President (The Honourable Sir Abdur Rahim): The next Resolution is in the name of Maulana Zafar Ali Khan. He is absent.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): I have been authorised by Maulana Zafar Ali Khan to move that Resolution, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Very well.

Nawabzada Muhammad Liaquat Ali Khan: Sir, I beg to move:

"That this Assembly recommends to the Governor General in Council to appoint immediately a committee, with a majority of elected Members of the Central Legislature on it, to recommend as to what steps should be taken to associate constitutionally the people of Baluchistan with the administration of the province on similar lines as in other provinces of British India."

This is not the first time, Mr. President, that Baluchistan and the plight of the people of that unfortunate province have come up for consideration before this Honourable House. In 1939 a resolution was moved recommending to the Government to give Baluchistan provincial autonomy, or, in other words, a constitution similar to that which is being enjoyed by all the other provinces of British India. Then again in 1941 a cut motion was moved during the budget Session asking for the introduction of provincial autonomy. On both these occasions the spokesman of the Government put forward certain pleas against the immediate introduction of reforms like the ones that are being enjoyed by the rest of India. I shall deal with those objections in the latter part of my speech. This time the Resolution has been drafted in a form which might be acceptable to the Government. It asks the Government to appoint a committee to enquire into the whole administration of Baluchistan and find out the conditions under which the people of that province are living, and to suggest what measures can be taken which would associate the people with the administration of that province.

Sir, Baluchistan has got an area of 1, 34,638 square miles; the total population of Baluchistan, including that of the States, is 8,68,617. The area of what is called British Baluchistan and the Agency area is 54,228 square miles, and the population of this area, is 5,84,781. Last time when we discussed this matter the Honourable the Secretary for External Affairs stated that British Baluchistan had a population of only about 2 lakhs, and he excluded what is called the Agency area from the British Baluchistan proper. To my mind there does not seem to be any justification for making this distinction, and I would refer this Honourable House to the Census Report of 1931, Parts I and II, Volume IV, page 3. If my Honourable friend, the Secretary, would look at the remarks that have been made in this report, he will find that the report does not make any distinction between what he chooses to call proper British Baluchistan and the Agency Area. The report says:

"The distinction between British Baluchistan and Agency territories is, however, only nominal. For practical purposes they are one and the same."

Therefore, these two that are one and the same do deserve serious consideration on the part of this Honourable House. I hope the Honourable the Secretary will not come forward with this argument that proper British Baluchistan has got a population of only two lakhs, because from the Government document itself I have shown that the Government themselves do not think that there is any such distinction that both these areas could not be treated as one.

Sir, Baluchistan came under British rule about 60 or 70 years ago and I think I am not exaggerating when I say that the conditions that prevail in that province are mediaeval. The system of Government which is being practised is feudal and the people are not treated as human beings but as so many chattels. The people of Baluchistan, Mr. President, have no civic rights. They have no elected municipalities or district boards. An Act was passed in 1896 giving Quetta a sort of a municipality. In 1896 it was laid down that there will be certain nominated persons on the municipality of Quetta. It is nearly 50 years now and still the municipality of Quetta is being run by nominated personnel. It shows callousness on the part of the authorities not to associate the people with the administration of even their own city. The sanitary conditions in the town are deplorable. The roads in the city of Quetta have not been touched for the last 10 or 12 years and the reason is obvious. Those Honourable Members who adorn the benches of the municipality of Quetta have been sitting there as nominated members in some cases for the last 36 years. They have no electorate to face. They have no one before whom they have to answer for the inconveniences which the people suffer. To my mind, Sir, it is a very serious blot on the British administration of Baluchistan that after 60 or 70 years they have not even introduced the primary local self-government in that province. There are no district boards. One has never heard of such a thing as district boards in Baluchistan. Now, Quetta is a big town. It has a population, if you include the population of the cantonment also, of over 60,000. The population of the Quetta town itself is about 35,000 and yet it has not got even an elected municipality. People in Baluchistan have no civic rights of any kind whatsoever. So much for the civic rights of the people.

Now, let me tell you the terrible laws under which the people of Baluchistan are being governed. There are no proper courts. They are being governed by Frontier Crimes Regulation and customs and I would just like to point out to this Honourable House as to what are the provisions of law and what are these customs under which the people of Baluchistan are governed. My Honourable friend, Mr. Kazmi, put certain questions to the Government on the 8th November 1943. He asked:

"Is it or is it not a fact that decrees for the price of the person of a Baluchi widow in favour of the relatives of her former husband are passed against her second husband under the Frontier Crimes Regulation?"

Is it or is it not a fact that a divorced Baluchi woman after divorce is sold against her consent to any other man by her former husband, and that if the woman does not marry the purchaser and marries another person, then money decrees for her price are passed by the Courts against the husband of her own choice in favour of the unsuccessful purchaser under the said Regulation?

Is it or is it not a fact that if a Baluchi girl after the appearance of signs of puberty gets her infant age Nikah cancelled under the law through a civil court by the exercise of her option of puberty and that the husband gets decrees for the price of her person in his favour passed by Political Courts against her second husband as well as guardian and also gets a decree for damages for the breach of custom, and that orders for expulsion (Jila Watani) from the city of the girl and her husband are passed?

Is it or is it not a fact that even before the birth of a Baluchi girl, which is termed as *Lafi Bazu* by Baluchis, many agreements of her sale and purchase take place, and that the Political Courts legalising such sale and purchase agreements pass decrees of the price of their persons?"

Mr. N. M. Joshi (Nominated Non-Official): That is slavery!

Nawabzada Muhammad Liaquat Ali Khan: The reply of the Government was: "It is a fact that the practices akin to those mentioned do exist".

An Honourable Member: Shame.

Nawabzada Muhammad Liaquat Ali Khan: Now, I ask you whether any Government that lays any claim to civilisation should allow things like that to

[Nawabzada Muhammad Liaquat Ali Khan.]

happen in any part which is under its rule or under its domination. This, to my mind, is the darkest blot on the British administration in this part of the country. These are the kinds of laws under which the people of Baluchistan are being governed.

Sir, since 1935, civil judicial courts have been established in Quetta and there again a distinction has been created that any crimes that are committed in what is called the 'A' area are tried by these judicial civil courts and the crimes committed in the rest of the Baluchistan province are tried by jirga. In a moment, I shall deal with the kind of justice that is meted out by these jirgas.

As far as the trial in these judicial courts is concerned, my information is that the officials who dispense justice on behalf of His Majesty King George VI, Emperor of India, are those who have no knowledge of law.

Sir Olaf Caroe (Secretary, External Affairs Department): I was one of them.

Nawabzada Muhammad Liaquat Ali Khan: Out of 12, there are 4 who know something of law and since my friend has interrupted me, I am forced to say something which I didn't want to say. The Judge of that province is a gentleman in whose academic qualifications column is written "not known". He is the person who is in the position of next to the High Court in any other province. I did not want to mention this fact because I thought that by 'general remarks' it would be sufficient to prove as to what are the conditions under which law is administered in that province, but I have been provoked by my Honourable friend, the Secretary for External Affairs. I personally never like to mention any persons individually. Now, Sir, this is the condition as far as the judicial courts are concerned.

Let us now examine as to the type of justice that is being dispensed by these Jirgas under the British Government in this country. Sir a 'Jirga' means a body of elders. At one time these Jirgas comprised of heads of the various tribes. But later on a change came over the system and the Divisional Officer for the 'useful' services rendered by individuals in that locality nominated them as members of the Jirga. Many of these gentlemen are persons of no position or status. Many of them are those who cannot even sign their names and yet people under this system of Jirga are sentenced to death and those who send them to death put their thumb impression on the decrees that are passed against these unfortunate people.

Sir Olaf Caroe: I think my Honourable friend said that these Jirgas pass sentences of death. That is not the case. The maximum sentence that can be passed on a Jirga finding is 14 years.

Nawabzada Muhammad Liaquat Ali Khan: I think it would have been better if those unfortunate people were sentenced to death than to be confined in those terrible prisons for 14 years. As a matter of fact, I was giving the Government more credit than they deserve. In these cases, release by means of death is better than living under the terrible conditions in which these unfortunate people have to live in jails. Anyhow, my Honourable friend only objected to the nature of the sentence and has not objected to the type of the judges who pass these sentences or to the kind of laws under which the people are governed.

Sardar Sant Singh (West Punjab: Sikh): Or the kind of justice that is administered.

Nawabzada Muhammad Liaquat Ali Khan: Now, Sir, let me tell you what is happening actually. As a matter of fact, there are several cases but I have got one case here and I have very little time at my disposal. Here is one typical case of the type of justice that is meted out by these Jirgas. A minor girl was given in marriage by her father. When the girl became of age, she refused to go to her husband's home. The father was asked to persuade her, but he refused to coerce her. Now, what happened? What was the offence of the father? He is now rotting in the Pishin jail for the last six months. His guilt was that he refused to coerce his daughter to go with a man with whom she did not want to go. This is the type of justice that is being meted out.

Then, I heard of another case. A woman was raped by a man. It happened in what is called the 'B' area, which means that the trial was to take place before the Jirga. These wonderful gentlemen with great legal knowledge and decent feelings found that the woman was raped, but instead of punishing the man they punished the woman. They said why did she allow such a thing to be done. Now, Sir, I ask you: can this Government really feel proud when things like this happen under the Union Jack, of which they are always very proud.

Last time it was stated by my Honourable friend that people there are very happy. The Sardars do not want any reforms; they are perfectly satisfied with the type of Government under which they are living. And therefore the Government would not be justified in introducing any change as long as the people were satisfied. In other words, the Honourable the Secretary's contention was that it was not the concern of the Government whether the laws were really severe; whether they were just or whether they were not just as long as the people did not raise their voice against them. How can you expect the people, downtrodden as they are under these severe laws, to be able to raise their voice against it? How can you justify the continuation of this kind of administration in any part of India? Did the people of India want to give up Satti? Did you not force them to give it up because it was a cruel custom? If you had left everybody to do as he liked, then I daresay things in India would have been quite different to what they are now.

Now, Sir, let me tell you that inspite of all this a great awakening has come over the people of Baluchistan. The Government always come forward with the argument that the Sardars and the Chiefs who hold great influence in that province will oppose the introduction of any kind of reform in that area and therefore the Government do not feel justified in doing something which might annoy these mighty Sardars. But, Sir, let me draw the attention of the Honourable the Secretary to an address which was presented to Lord Linlithgow when he visited Baluchistan as the Viceroy and Governor General of India. The address was presented by these very Sardars and Chiefs, and what did they say in that address?

They said:

"We feel that our steadfast loyalty entitles us to a position equivalent to the other Governor's provinces of India instead of that of a minor administration. A beginning may kindly be made by granting representation at the Centre. We therefore pray that due notice may kindly be taken of our desires and aspirations in this respect."

This is what the sardars and chiefs themselves represented to the then Viceroy and Governor General of India, and my submission is that even if the sardars and chiefs objected to it, as long as that portion is in British India it is not the sardars whose voice must prevail but the voice of the people that should prevail, and it is the people of that area that we should consider,—lakhs and lakhs of them and not a few individuals.

Now let us examine what Government have done for the educational advancement of the people of that province. Last time when we had a discussion on this the Honourable the Secretary tried to take credit for the actions of Government. The position in that province, as was made clear in the debate of 1941, with regard to the number of school going children is 1.6 per cent. only of the population, whereas in other provinces the lowest is 4.1 and even in a place like Coorg, it is 7.5. The House will be interested to know that after the earthquake for about 5 or 6 years there was not even a Government high school in Baluchistan; there were some private schools started by private individuals and private committees. Today there is no degree college in that province. One college has been started but it will teach students only up to the Intermediate, and that I suppose the Honourable the Secretary would like to take credit for,—that after 70 years' rule they have succeeded in starting a college which will teach up to the Intermediate classes. There was no girls' high school run by Government in that province. I am told that last year Government sanctioned a certain sum of money for putting up a building for a Government girls' school, but they were not able to put up a building because Government said

[Nawabzada Muhammad Liaquat Ali Khan.]

that material was not available. Of course material is always available for houses for officials and such other objects. The money lapsed because it could not be spent in that year. Government now refuse to give that money again, because they were not able to put up a building that year. That is the state of affairs as regards education. There is no such thing as primary schools or secondary schools worth the name and yet they have a full-fledged supervising staff to go over the whole of the province.

My Honourable friend stated last time that the revenue of Baluchistan was about 20 lakhs; my information is that it is between 20 and 30 lakhs. The Government of India give an annual subvention of about 60 lakhs. That means that altogether, according to the Honourable the Secretary himself, about one crore is spent on the Baluchistan administration. And let me tell you that very little of this one crore is spent for the advancement, either educational or economical, of the people of that unfortunate province. Most of this money is spent for secret purposes for which no account is available. It might interest this House to know that the Honourable the Secretary himself described Baluchistan as an agricultural province but the magnificent amount that is spent in that province for the advancement of agriculture is about 70,000 rupees. These really are the conditions that have been prevailing for the last so many years, and I think the time has come when a full survey should be made of the situation in Baluchistan and the conditions prevailing there. These six lakhs of people are entitled to receive human treatment; they are entitled to receive the same type of education as we have been demanding for other parts of India; they are entitled to receive the same kind of justice as is being practised in other parts of India; they are entitled to demand economic uplift on the same lines as for the people in the rest of India. Sir, I submit that we in this House have a great responsibility in this matter. Practically every province of India is represented in this House; Baluchistan and its people are the only unfortunate people who have no representative sitting in this House. And therefore I submit that our duty to these people who are not represented in this House is greater, and I hope that every Honourable Member of this House will support this demand which is for sheer and mere justice, which is for securing rights that every human being is entitled to demand and which is for creating a better Baluchistan,—a Baluchistan where people will feel free, a Baluchistan where people will feel that they are human beings and not so many chattels, a Baluchistan where people will be made to feel that they are in no way inferior to the people in other parts of India. I will appeal to the Government that the proposition which we have placed before them this time is such as they should have no difficulty in accepting. You claim that you are fighting this war for the freedom of the world; but first for God's sake practise that at home. These people whom God has placed under your care are deserving of greater consideration, greater sympathy than those who were no concern of yours in the past. I appeal to you that if you really mean all that you have been saying in connection with fighting this war, then do justice to these six lakhs of people who have during the last seventy years not been treated as human beings. Their claim is greater than the claim of any other people and I hope that the Government this time will come out with greater sympathy and with greater consideration and do justice to these people whose case I have had the honour of placing before this Honourable House.

Mr. President (The Honourable Sir Abdur Rahim): Resolution moved:

"That this Assembly recommends to the Governor General in Council to appoint immediately a committee, with a majority of elected Members of the Central Legislature on it, to recommend as to what steps should be taken to associate constitutionally the people of Baluchistan with the administration of the province on similar lines as in other provinces of British India."

As it is now five of the clock, I adjourn the House to eleven of the clock tomorrow.

LEGISLATIVE ASSEMBLY.

Thursday, 2nd March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) CRL ANSWERS.

MR. ZAHUR ALI'S SCHEME RE ENTERTAINMENT OF INDIAN TROOPS.

287. *Qazi Muhammad Ahmad Kazmi: (a) In connection with answers to the questions regarding the Welfare Directorate in the last Session of the Assembly, will the Honourable the Defence Member please state if it is a fact that Mr. Zahur Ali, Bar.-at-Law, Lucknow, had some correspondence with the Honourable the Defence Member direct in connection with the Welfare Directorate?

(b) Is it a fact that the Honourable Mr. P. N. Saprú took an active part in drawing the attention of the Honourable the Defence Member to the need for establishing an Indian Section of the Welfare Directorate attached to the one now existing?

Sir Charles Ogilvie: (a) Yes.

(b) I suggest that the Honourable Member should make enquiries from the Honourable Mr. Saprú.

MR. ZAHUR ALI'S SCHEME RE ENTERTAINMENT OF INDIAN TROOPS.

288. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Defence Member please state the principal defect, if any, detected in Mr. Zahur Ali's scheme for the entertainment of Indian troops, and the difficulty in the way of authorities for giving it a trial?

(b) When, for the first time, was the alleged defect discovered, and was it before or after the scheme had been appreciated and accepted by the Welfare Directors in February last?

(c) Who noticed this defect, and was this ever pointed out to Mr. Zahur Ali that his scheme was unworkable due to that defect?

(d) Is it a fact that the Director General of the Welfare Department had observed that Mr. Zahur Ali's scheme was fully in accordance with their own accepted policy, and that it fitted exactly with the requirements of their own settled organisation?

(e) Is it a fact that while at Simla, Mr. Zahur Ali was handed over a note under General Lewis' signature for accepting his scheme practically *in toto* and further giving him letters of introduction to Commandants of Ferozepur, Bareilly and other places to study the situation on the spot in the light of suggestions made by him?

(f) Was any report submitted by Mr. Zahur Ali? If so, did it contain the information that suitable men for the work were available in the troops and the work could be carried on with little cost to the Army Department?

(g) Does the Honourable Member propose to lay a copy of the report on the table of the House?

Sir Charles Ogilvie: (a) Mr. Zahur Ali's scheme involved the establishment of an Indian Branch of the Directorate of Welfare at Lucknow and centralisation of the provision of entertainment in that Branch. It is considered essential that the co-ordination of welfare and amenities should be centralised in one office, namely, that of the Directorate in Simla, while the actual provision of entertainment should be decentralised to the greatest possible extent.

A second defect is that Mr. Zahur Ali's scheme involved the formation of permanent Indian entertainment parties composed chiefly of serving soldiers, and it was considered improper to divert serving soldiers entirely from their legitimate employment.

(b) and (c). The first defect was noticed from the beginning and in a note which was handed to Mr. Zahur Ali it was explicitly stated that there was no need for a separate Indian Branch of the Directorate of Welfare and Amenities.

(d) In the note to which I have just referred, the Director General observed that the main idea expressed in Mr. Zahur Ali's memorandum was one which was in accordance with accepted policy. The idea which the Director-General had in mind was the entertainment of the troops by the troops in their spare time. It is probable that there may have been some misunderstanding owing to circumstances preventing a personal meeting between the Director-General and Mr. Zahur Ali. An increase in the entertainment of troops by troops was to be obtained by decentralisation and lower formations were encouraged to raise their own entertainment parties. A large number did so and were assisted financially in obtaining costumes, etc. The note made it clear that it was in the obtaining of professional assistance and drama material, in which Mr. Zahur Ali could be of the greatest help. His scheme was not, however, accepted or acceptable as a whole.

(e) A note was handed over, and letters of introduction were given. I have already explained that the note did not accept the scheme *in toto*. Mr. Zahur Ali's visit to the stations mentioned was intended to enable him to see what was being done and to assist similar enterprises elsewhere.

(f) Yes. The report voiced the opinion quoted in the question, but as previously explained it was not possible to take away men permanently from their military duties, as would have been involved under Mr. Zahur Ali's scheme.

(g) No.

Qazi Muhammad Ahmad Kazmi: So far as the principle is concerned, I understand that the Government accept the principle that entertainment of soldiers by soldiers can be allowed?

Sir Charles Ogilvie: In their spare time, yes, i.e., the troops may amuse each other but parties or troupes will not be formed on a permanent basis to go round the country entertaining other troops.

Sardar Sant Singh: Was the scheme ever published?

Sir Charles Ogilvie: Whose scheme?

Sardar Sant Singh: Zahur Ali's.

Sir Charles Ogilvie: Not that I know of!

Qazi Muhammad Ahmad Kazmi: Is it a fact that so far as British units are concerned, persons of these units are allowed to join concert parties?

Sir Charles Ogilvie: I am answering another question on this point by the same Honourable Member shortly.

Qazi Muhammad Ahmad Kazmi: Then, are the Government prepared to accept this scheme of entertainment of troops only in the particular units in which those troops are attached or in a general way?

Sir Charles Ogilvie: Government are definitely not prepared to allow troops to become permanent entertainers.

Qazi Muhammad Ahmad Kazmi: As to the establishment of an Indian Directorate who can look to the tastes of the Indian troops, are the Government prepared to consider that or not?

Sir Charles Ogilvie: I have already answered that Government have no intention of splitting up the Directorate.

(Qazi Muhammad Ahmad Kazmi again rose in his seat.)

Mr. President (The Honourable Sir Abdur Rahim): Next question. The Honourable Government Member has made the position quite clear.

MR. ZAHUR ALI'S SCHEME RE ENTERTAINMENT OF INDIAN TROOPS.

289. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Defence Member please state if it is a fact that, in spite of the recognised and acknowledged merits of the scheme of Mr. Zahur Ali, the authorities of the Welfare and Amenities Department are constantly evading a direct discussion of its merits and its enforcement?

(b) If the answer to (a) be in the affirmative, what is the reason for that?

Sir Charles Ogilvie: (a) and (b). I refer the Honourable Member to the answer given to part (a) of question No. 288.

CONCERT PARTIES FOR INDIAN TROOPS.

290. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Defence Member please state if it is a fact that for concert parties, sanction is accorded to English soldiers for taking part in them? If so, why is no such permission sought by and granted to Indian soldiers?

(b) Is it a fact that General Lewis gave Mr. Zahur Ali to understand that he was encouraging Formations and Units to form concert parties at no cost basis, as suggested by the latter?

(c) Have any steps yet been taken?

Sir Charles Ogilvie: (a) Yes. Sanction was accorded for the employment of 24 British soldiers, who were professional actors in civil life for the 3 British Concert parties organised by G.H.Q. British parties composed wholly of professionals could not then be assembled in India owing to lack of such artistes.

A similar sanction could have been obtained for a few Indian soldiers, but there was no necessity since sufficient Indian professional talent was available.

With the arrival of ENSA British soldiers have been eliminated from concert parties.

(b) and (c). I would refer the Honourable Member to my answer to question No. 288.

Qazi Muhammad Ahmad Kazmi: Is the practice still prevalent so far as British units are concerned that they form concert parties out of the units themselves?

Sir Charles Ogilvie: The position has been explained at length by me to the answer to this part of the question. 24 soldiers have been employed but are not now.

Qazi Muhammad Ahmad Kazmi: They are stopped now?

Sir Charles Ogilvie: I have said so twice.

ALLOTMENT ON ENTERTAINMENT OF BRITISH AND INDIAN TROOPS.

291. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Defence Member please state if it is a fact that Government allotment for the British as well as Indian troops on entertainment is on a *per capita* basis?

(b) What sum of money has been spent on the two, from January, 1941, separately?

(c) Is it a fact that professional singers engaged for concert parties are not so varied in their selection as the troops they have to entertain, and, as such, cannot provide entertainment to the Indian troops in general?

(d) Have Government considered the advisability of enforcing the no-cost scheme as put forward by Mr. Zahur Ali?

Sir Charles Ogilvie: (a) and (b). There is no *per capita* allotment specifically for concert parties. The expenditure on concert parties and similar forms of entertainment in 1942-43 was:

B.T.—Rs. 60,000.

I.T.—Rs. 1,14,000.

The estimated expenditure for 1943-44 is:

B.T.—Rs. 1,75,000.

I.T.—Rs. 3,60,000.

(c) It has, of course, always been recognised that troops from different parts of India require different kinds of entertainment, and the centrally organised parties cover the field as far as possible. Their reception, wherever they have been, has in the main been very favourable.

(d) I would refer the Honourable Member to my reply to question No. 288.

Mr. Lalchand Navalrai: May I know if there is any obstruction to these Indians for the sanction of these entertainments?

Sir Charles Ogilvie: What sort of obstruction, Sir?

Mr. Lalchand Navalrai: Are they allowed as much freedom as the European soldiers?

Sir Charles Ogilvie: What sort of freedom?

Mr. Lalchand Navalrai: In getting sanction.

Sir Charles Ogilvie: I still do not quite understand, I am afraid. I have stated what the sanctioned expenditure was on both, and everything which can be done is being done.

Mr. Lalchand Navalrai: Equally or not?

Sir Charles Ogilvie: Equally, yes; certainly.

Qazi Muhammad Ahmad Kazmi: May I know, since it is said the expenditure is not *per capita*, what is the standard by which they determine the amount that has to be spent on British troops and on Indian troops?

Sir Charles Ogilvie: The cost of the parties concerned and the number of them.

REVIEW OF CASES OF DETAINED SIND M. L. A's, ETC.

292. *Mr. Lalchand Navalrai: (a) Will the Honourable the Home Member be pleased to state if the case of the Members of the Sind Legislative Assembly who have been detained under the Defence of India Rules, has been reviewed in accordance with the new ordinance? If so, which of them have been released, and which of them have not been released and for what reasons?

(b) Are the cases of political and security prisoners being committed for review to tribunals appointed for the purpose? If so, what will be the composition of such tribunals? If not, why not?

(c) If the reply to (b) be in the negative, what other method for review of cases is the Honourable Member going to adopt?

(d) Has the attention of the Honourable Member been drawn to the statement in the *Hindustan Times*, dated the 15th February, 1944, to the effect that it is learnt that the Government of Bengal will shortly set up a tribunal for the review of cases of security and political prisoners who have been detained under the Defence of India Rules?

(e) Do Government propose to adopt or recommend to the Provincial Governments to adopt a uniform method for review by the independent and judicially minded people? If not, why not?

The Honourable Sir Reginald Maxwell: (a) This is a matter for the Provincial Government and I have no information.

(b), (c) and (e). No such procedure is enjoined by Ordinance III of 1944 but Provincial Governments are free to decide their own methods of review. No Tribunal is being appointed for the review of cases of Central security prisoners.

(d) Yes.

Mr. Lalchand Navalrai: Have any instructions been given by the Central Government, because this is a new thing—how the review is to be made, whether it is to be by a committee or by certain officers or a tribunal?

The Honourable Sir Reginald Maxwell: No instructions have been issued: as I have said, the Provincial Governments are free to decide their own methods.

Mr. Lalchand Navalrai: Has the Honourable Member got information from them as to how they are doing it?

The Honourable Sir Reginald Maxwell: No.

Mr. Lalchand Navalrai: Will the Honourable Member do it for the information of this House?

The Honourable Sir Reginald Maxwell: I am not in a position to say yet when we shall have the information. I must remind the Honourable Member that under Ordinance III of 1944, the stage for review has not arrived yet. The review under section 9 of the Ordinance is to take place when there is any question of extending the duration of an order. At the present moment, we ourselves and the Provincial Governments are only receiving representations from prisoners under section 7 of the Ordinance and, of course, we are considering them, but that does not mean a formal review of the cases.

Mr. N. M. Joshi: May I ask what is the method by which the Government of India themselves propose to make a review of the cases for which they are responsible?

The Honourable Sir Reginald Maxwell: As I said, that stage has not yet arrived.

SEDITIONOUSNESS OF CONGRESS PLEDGE.

293. *Mr. K. C. Neogy: (a) With reference to his statement in the Legislative Assembly on the 7th February last, that Government have been advised legally that the "Congress pledge" is a seditious document, will the Honourable the Home Member be pleased to state when this legal advice was taken by Government, and who were the legal authorities who gave the opinion?

(b) Does the Honourable Member propose to lay a copy of the legal opinion on the table?

The Honourable Sir Reginald Maxwell: (a) I would invite attention to my reply to Mr. A. C. Datta's question No. 255 on February 26th.

(b) No.

Mr. K. C. Neogy: I do not know whether the Honourable Member has meant his statement to cover the second part of part (a) of my question, that is to say, when this legal advice was taken by Government, and who were the legal authorities who gave the opinion?

The Honourable Sir Reginald Maxwell: I answered the question of when, in answer to part (c) of Mr. Datta's question on the 26th February.

Mr. K. C. Neogy: Who are the legal authorities?

The Honourable Sir Reginald Maxwell: It is not the practice of Government to disclose the legal authorities, from whom they receive advice or to make public the advice which they receive.

Mr. K. C. Neogy: When was this advice obtained and first acted upon by way of prosecution or anything like that?

The Honourable Sir Reginald Maxwell: I answered that question in reply to supplementaries on the last occasion.

Sardar Sant Singh: May I know if this Congress Pledge, being a seditious document, was a discovery or an invention?

(No answer.)

AMENITIES TO MAHATMA GANDHI AND MEMBERS OF THE CONGRESS WORKING COMMITTEE.

294. *Mr. K. C. Neogy: (a) Will the Honourable the Home Member be pleased to state whether Mahatma Gandhi and Members of the Working Committee of the Congress are allowed to receive articles of comfort, books, periodicals, newspapers, etc., from outside? Are there any restrictions in the matter of supply of books, periodicals and newspapers? If so, what, and in respect of what books, periodicals and newspapers have these restrictions been actually enforced so far?

(b) What monthly expenses are allowed for Mahatma Gandhi, and how much for the Members of the Working Committee each?

(c) What are the rules regarding the grant of interviews to relatives and friends with Mahatma Gandhi and Members of the Working Committee?

(d) Were some of the relatives or friends of Mahatma Gandhi refused permission to interview him on any occasion? If so, who are they, and why were they refused such permission?

The Honourable Sir Reginald Maxwell: (a) There is no restriction on the receipt of articles of comfort by Mr. Gandhi or the Working Committee or on the books and periodicals which they are allowed to receive, if on examination they are found to be unobjectionable. A large number of books, etc., has in fact been reaching the prisoners in question. As far as newspapers are concerned, I lay on the table lists of those supplied to (i) to Mr. Gandhi, and (ii) to the Members of the Working Committee.

(b) The provision made for Mr. Gandhi and those detained with him in His Highness the Aga Khan's Palace amounts to about Rs. 550 per mensem, while that for the Members of the Working Committee amounts to Rs. 100 per mensem each.

(c) and (d). Neither Mr. Gandhi nor the Members of the Working Committee are permitted interviews with either relatives or friends. In the case of Members of the Working Committee this rule has been strictly enforced. In the case of Mr. Gandhi, as the Honourable Member is aware, the rule was relaxed during his fast in February 1943, when a large number of friends and relatives were permitted to visit him and again recently when relatives were allowed to interview the late Mrs. Gandhi during her illness, on which occasions Mr. Gandhi was also of course present.

The above information relates only to the parties detained in the Aga Khan's Palace and at Ahmednagar. Two members of the Working Committee, Rajendra Prasad and Jairamdas Daulatram, are detained in their Provinces and I have no precise information that would enable me to answer the various parts of the question relating to them.

Newspapers supplied to Mr. Gandhi.

1. Bombay Samachar (Bombay).
2. Bombay Chronicle (Bombay).
3. Dawn (Delhi).
4. Gram Udyog Patrika (Maganwadi—Wardha).
5. Hindu (Madras).
6. Hindustan (Lucknow).
7. Hindustan Standard (Calcutta).
8. Hindustan Times (Delhi).
9. Khadi Jagat (Wardha).
10. Modern Review (Calcutta).
11. Rashtra Bhasha Samachar (Wardha).
12. Sarvodaya (Wardha).
13. Statesman (Calcutta).
14. Tamil Sangh Magazine (Wardha).
15. Times of India (Bombay).

Newspapers supplied to members of the Working Committee.

1. Times of India (Bombay).
2. Bombay Chronicle (Bombay).
3. Bombay Samachar.
4. Nav Prakash (Bombay).
5. Kesari (Poona).
6. Illustrated Weekly of India (Bombay).
7. Bombay Chronicle Weekly (Bombay).
8. Bombay Samachar Weekly (Bombay).
9. Sandesh Praja Bandhu (Bombay).
10. Amrit Bazar Patrika (Calcutta).
11. Hindu (Madras).
12. Tribune (Lahore).
13. Statesman (Calcutta).
14. Leader (Allahabad).
15. Manchester Guardian Weekly (London).
16. New Statesman (London).

Mr. K. C. Neogy: May I take it then, that so far as the two members of the Working Committee specifically mentioned by the Honourable Member are concerned, the Provincial Governments concerned are the final authorities in regard to all these matters?

The Honourable Sir Reginald Maxwell: Yes, Sir.

Mr. K. C. Neogy: With regard to the Honourable Member's reply to part (a) of my question, will the Honourable Member be pleased to indicate the authority who is responsible for examining the books and periodicals for judging their suitability?

The Honourable Sir Reginald Maxwell: The Provincial Government.

ACCIDENTS DUE TO EXCESSIVE SPEED OF SERVICE VEHICLES.

295. *Mr. Ananga Mohan Dam: Will the War Secretary please state:

(a) whether he has got any representation from the Bengal Chamber of Commerce stating that excessive speed is the principal cause for accidents occasioned by service vehicles, especially on the Barrackpur and Grand Trunk Roads;

(b) whether Government have made any enquiry into the complaints made by the public; if so, with what result; and
(c) what Government have done for a greater measure of supervision and discipline as demanded by the public?

Mr. C. M. Trivedi: (a) Yes, Sir, a representation was received by the local military authorities in December 1943.

(b) Enquiry reveals that room still exists for considerable improvement in the driving of service vehicles.

(c) The matter has been receiving the personal attention of all formation and unit commanders who have been enjoined to take all possible measures for enforcing careful driving of service vehicles.

REFERENCE TO MR. GANDHI IN THE BOOKLET "INDIA TO-DAY AND TOMORROW".

296. *Mr. K. S. Gupta: (a) Is the Honourable the Home Member aware that an ex-Governor of the Punjab published a booklet "India to-day and to-morrow"?

(b) Is he also aware that the following statement "Mr. Gandhi embarked on a 21 day fast to engineer his unconditional release, etc.," contained in the booklet is being resented to by all political circles in London and by every Indian patriot? If so, does he propose to make a representation protesting against such an insinuation?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) The answer to both parts of the question is in the negative.

ABSORPTION BY HIS MAJESTY'S GOVERNMENT OF DOLLAR CREDITS ACCRUING TO INDIA.

297. *Mr. T. T. Krishnamachari: Will the Honourable the Finance Member please state:

(a) if his attention has been drawn to the statement issued to the Press by the President of the Federation of Indian Chambers of Commerce and Industry on the 16th January, 1944, protesting against absorption by His Majesty's Government of dollar credits accruing to India;

(b) if the answer to (a) is in the affirmative, what dollar credits have accrued in the aggregate to India, as a result of the favourable balance of trade since the beginning of the war till the end of 1943;

(c) whether such credits have been taken over by His Majesty's Government and converted into sterling credits, or, whether any portion of dollar credits has been used to pay for goods originally imported from the United States of America under the Lease-Lend arrangement; and

(d) whether Government propose to issue a rejoinder in reply to the statement of the President of the Federation of Indian Chambers of Commerce and Industry, dated the 16th January, 1944?

The Honourable Sir Jeremy Raisman: (a) Yes.

(b) In the case of each member of the sterling area as dollars accrue they pass into the pool which serves the whole sterling area, the member receiving corresponding credits in sterling. At the same time the dollar needs of each member are met from the pool as and when they arise, the member receiving corresponding debits in sterling. No separate account had hitherto been maintained for India.

(c) From what I have said in reply to part (b), it will be evident that any net surplus of dollars accruing on Indian account in the course of a year will remain at India's credit in sterling. No payments are made for goods procured on Lease-Lend.

(d) I would refer the Honourable Member to the statement I made on this subject in paragraph 52 of the Budget speech.

Mr. T. T. Krishnamachari: May I ask if the Honourable Member is in a position to tell what is the total amount to the credit of this country in the Empire Pool?

The Honourable Sir Jeremy Raisman: I explained there is no special sum in dollars to the credit of any member in the Empire Pool; but as I mentioned in the Budget speech, under the new arrangement there will be an account in which credits will be made to India.

Mr. T. T. Krishnamachari: I am unable to understand the Honourable Member. Does he mean to say that the export surplus of this country vanishes into thin air, and that there is no account kept of the amount of the export surplus, and its equivalent in dollars?

The Honourable Sir Jeremy Raisman: I mean that the export surplus of the whole sterling area is treated as one and that similar imports which have to be paid for in dollars are met from that pool. That is the meaning of the pool. India in the end is left with a balance in sterling, that is the arrangement up to now.

Mr. T. T. Krishnamachari: I am afraid that I am not a little wiser for this reply. I might ask the Honourable Member whether all those exports that are to be made or have been made under reciprocal aid—who takes over the question of payment at the Indian end? Do the Indian Government do it?

The Honourable Sir Jeremy Raisman: I did not catch the last part of the Honourable Member's question.

Mr. T. T. Krishnamachari: The exports that are to be made or have been made under reciprocal aid scheme—who takes over liability for payment at the Indian end?

The Honourable Sir Jeremy Raisman: Goods supplied on reciprocal aid are not paid for any more than goods received on lend-lease. Reciprocal aid is the obverse of lend-lease and no country gets any actual payment for goods supplied on reciprocal aid.

Mr. T. T. Krishnamachari: May I refer the Honourable Member to his own speech the other day where he has said that extension of reciprocal aid to raw materials and foodstuffs is being contemplated. They must be purchased from somebody and somebody will have to pay for them.

The Honourable Sir Jeremy Raisman: Reciprocal aid is no more paid for by America than lend-lease goods are paid for by the other United Nations. It is essentially a system of free international supply, mutual aid.

Mr. President (The Honourable Sir Abdur Rahim): This is not the occasion for pursuing the subject any further. Order, order.

UNSTARRED QUESTIONS AND ANSWERS.

MEMORIAL SUBMITTED BY THE GUJARAT TOBACCO MERCHANTS' ASSOCIATION, NADIAD

89. Mr. Jamnadas M. Mehta: (a) Will the Honourable the Finance Member please state if it is a fact that the Gujarat Tobacco Merchants' Association, Nadiad, submitted a memorial, dated the 25th June, 1943, to the Central Board of Revenue?

(b) Has consideration been given to the submission made in the last paragraph of the memorial?

(c) If the answer to the above question is in the affirmative, what are their proposals with regard to the amendment of the Tobacco (Excise Duty) Act and Rules thereunder?

(d) Do Government propose to make necessary amendments in the Tobacco (Excise Duty) Rules, 1943, to lessen the burden on the grower and the trader, in the light of the experience gained during the working of the Act and Rules for nearly eight months?

(e) Is it a fact that Government have received representations from various tobacco growers Associations from all over India representing the difficulties experienced by them due to the Tobacco (Excise Duty) Rules, 1943?

(f) If the answer to (e) is in the affirmative, do Government propose to consider a proposal about a Conference of Government officials and tobacco growing interests?

(g) Has legal opinion been obtained by Government with regard to the legal position as regards the enactment of the Tobacco (Excise Duty) Act by the Central Legislature?

(h) Has the acreage under cultivation of tobacco been reduced, due to the coming into force of the Tobacco (Excise Duty) Act, 1943?

(i) If the answer to (h) is in the affirmative, will Government be pleased to state the percentage of reduction now that the tobacco planting season is over and figures of plantation are available?

(j) Are Government prepared to consider simplifications of rules so far as they affect tobacco growers, in view of the fact that more than 90 per cent. of the peasants are illiterate and likely to be harassed by exacting Government officials?

(k) Are Government prepared to consider a proposal to simplify the rules so that small traders may not be driven away from the trade by the intricacies and costliness of permits, licences, warehouses, bonds, etc.?

The Honourable Sir Jeremy Raisman: (a) and (b). Yes.

(c) and (d). Government are satisfied that the obligations imposed on tobacco growers and merchants are not excessive. Certain of the rules provide for special treatment in particular circumstances and some minor adjustments of the Rules have been made to suit trade convenience. Government do not contemplate any amendments beyond those made in the consolidated Act and Rules which came into force on the 28th February.

(e) Some representations were received in the first few months after the introduction of the Act. Doubts and misgivings such as were expressed in these representations are inevitable during the initial stages of any excise system of this kind and magnitude. Central Excise officers were accordingly instructed at the outset to explain the system to all concerned and to remove misunderstandings; and printed explanatory pamphlets in the local languages were distributed to growers and curers. These precautions had the desired effect and no representations have been received for some time.

(f) No. Consultation is continually taking place between Government officials and tobacco interests and Government consider that a formal conference would serve no useful purpose.

(g) Yes.

(h) The acreage under Virginia tobacco is reported to be expanding owing to increased demand for cigarette tobacco. The acreage under country tobacco has undergone some reduction during the year, owing, in some areas, to cyclone damage and, generally, to the "Grow More Food" campaign and the high prices obtainable for other crops.

(i) The figures are being collected and will be laid on the table of the House in due course.

(j) The high percentage of illiteracy among tobacco growers was taken into account in framing the Rules and such information as is required from the great majority is taken orally by officers who visit them for this purpose. Government have not received any complaint of harassment, and the departmental instructions expressly enjoin officers to show courtesy and consideration to all those with whom they have official dealings.

(k) Government are always prepared to consider genuine grievances. The obligations laid on dealers are not difficult to carry out. No fees are charged for permits; and licence fees for small traders have been reduced from Rs. 5 to Rs. 2. The warehousing of tobacco until clearance for final sale or manufacture is a unique concession which confers substantial advantages on the traders.

GODOWNS FOR STOCKING TOBACCO.

90. Mr. Jamnadas M. Mehta: (a) Will the Honourable the Finance Member please state whether Government propose to consider proposals to simplify the rules as regards compulsory godowning of stocks of tobacco, in view of the fact that no godowns are built to the specifications required by rules, and that by the very nature of the tobacco growing areas, no such buildings are possible?

(b) Do Government propose to build godowns in sufficiently large numbers in tobacco growing areas?

(c) If the answer to (b) is in the negative, due to the present extraordinary circumstances, or to the hugeness of the task, do Government propose to view the question from the growers' and traders' standpoint and simplify the rules as regards godowns?

(d) Is it a fact that the consumer of the country tobacco in the form of *biris* is made to pay one and a half times to twice the price he used to pay before the Tobacco (Excise Duty) Act came into force, and not the twenty per cent. increase as the Honourable the Finance Member foretold and assured in the Legislative Assembly when the Bill was on the anvil?

(e) Is it justifiable to tax the lower kind of tobacco, such as second crop or Ratoon and such other tobacco gathered haphazardly by poor labourers from the stumps of tobacco plants after the leaves, that is, the tobacco properly so-called is removed, after an experience of the working of the Act for nearly eight months?

(f) What amount of duty do Government expect to receive from tobacco during the current year from the expected figures after the working of the Act for nearly eight months?

(g) Is it a fact that on calculating the duty on the stock of tobacco at the time the Act came into force, the amount is likely to exceed enormously the expected amount of ten and a half crores?

(h) If the answer to (g) is in the affirmative, do Government propose to consider the advisability of reducing the rate of duty?

(i) If the answer to (h) is in the affirmative, do Government propose to consider the advisability of remitting duties on the old stock, as in the case of vegetable products for which no duty is levied on the old stock when the Act came into force?

(j) What made Government to tax the old stock as well in the particular case of tobacco, while other commodities were exempted?

(k) Do Government propose to consider the advisability of printing various forms in regional languages and to supply these forms in sufficient number to Excise Officers as well as traders?

The Honourable Sir Jeremy Raisman: (a) There is no compulsory warehousing of tobacco. The Rules lay down no specifications in regard to warehouses.

(b) and (c). It would not be practicable to build or purchase buildings for public warehouses at present because building costs are now exceptionally high and because such warehouses must obviously be carefully sited. After some years' experience has been gained and it is possible to gauge the future development of the tobacco trade, the erection of such warehouses may be possible. In the meantime Collectors have been authorised to appoint suitable existing buildings as public warehouses, provided that this entails no cost or liability to the Department. So far, the trade has not availed itself of this facility.

(d) The price of *biris* has substantially increased. For example, in Madras it has advanced on the average from Rs. 1/11/- to Rs. 2/9/- per thousand; but only 6 annas of this 14 annas increase represents duty.

(e) Where such tobacco is gathered by poor people for their own consumption it will not come under excise. If it is marketed, it must of necessity pay the same duty as tobacco of a similar kind harvested in the ordinary way.

(f) Rs. 9 crores.

(g) No.

(h) and (i). Do not arise.

(j) The circumstances of the trade in unmanufactured tobacco are exceptional. Such tobacco is stored for long periods (sometimes extending to two years) and to have exempted the stocks, therefore, would have greatly prejudiced the security of the revenue.

(k) This is already being done.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE ON PILGRIMAGE TO THE HEJAZ.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that up to 12 Noon on Friday, the 25th February, 1944, the time fixed for receiving nominations for the Standing Committee on Pilgrimage to the Hejaz, twelve nominations were received. Subsequently seven candidates withdrew their candidature. As the number of remaining candidates is equal to the number of vacancies, I declare the following Members to be duly elected, namely: (1) Sir Abdul Halim Ghuznavi; (2) Syed Ghulam Bhik Nairang; (3) Khan Bahadur Shaikh Fazl-i-Haq Piracha; (4) Mr. Hooseinbhoi A. Lalljee; and (5) Maulvi Syed Murtuza Sahib Bahadur.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE CIVIL DEFENCE BRANCH OF THE DEFENCE DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that up to 12 Noon on Wednesday, the 1st March, 1944, the time fixed for receiving nominations for the Standing Committee of the Civil Defence Branch of the Defence Department only five nominations were received. As the number of candidates is equal to the number of vacancies, I declare the following Members to be duly elected, namely: (1) Mr. Piare Lal Kureel; (2) Mr. Ananga Mohan Dam; (3) Khan Bahadur Sheikh Habibur Rahman; (4) Mr. Lalchand Navalrai; and (5) Mr. Amarendra Nath Chattopadhyaya.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

(Amendment of sections 378 and 429.)

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, I move:

"That the Bill further to amend the Code of Criminal Procedure, 1898, (Amendment of sections 378 and 429) be continued."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill further to amend the Code of Criminal Procedure, 1898, (Amendment of sections 378 and 429) be continued."

The motion was adopted.

THE ABOLITION OF WHIPPING BILL.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir,

I move:

"That the Bill to abolish the punishment of Whipping be continued."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill to abolish the punishment of Whipping be continued."

The motion was adopted.

THE CODE OF CRIMINAL PROCEDURE (AMENDMENT) BILL.

(Amendment of sections 162, 488 and 496.)

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir,

I move:

"That the Bill further to amend the Code of Criminal Procedure, 1898, for certain purposes (Amendment of sections 162, 488 and 496) be continued."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill further to amend the Code of Criminal Procedure, 1898, for certain purposes (Amendment of sections 162, 488 and 496) be continued."

The motion was adopted.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Why don't you move that every Bill be continued?

THE INDIAN MERCHANT SHIPPING (AMENDMENT) BILL.

Khan Bahadur Shaikh Fazl-i-Haq Piracha (North-West Punjab: Muhammadan): Sir, I beg to move:

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, as reported by the Select Committee, be taken into consideration."

[Khan Bahadur Fazl-i-Haq Piracha.]

Sir, the Bill is a very short and simple one and has amply been discussed in the House on two previous occasions, firstly, when it was passed to be circulated for public opinion, and secondly, when a motion was made for the reference of the Bill to Select Committee. I therefore do not propose to add anything more to what has already been said by myself and other Honourable Members in support of the Bill.

Sir, as will appear from the Report of the Select Committee, the only change made in the Bill is the modification of sub-clause (2) of clause 1 of the Bill to provide for the postponement of the operation of the Bill owing to the present disturbed war conditions. Sir, the modification made in the Select Committee was due to the anxiety of the Honourable Member in charge of the Department to safeguard the interests of the shipping companies in times of war, although this safeguard is already amply provided in the 1st proviso to section 209A of the Indian Merchant Shipping Act which reads thus :

"Provided that, for the purpose of computing the said period of twenty-five days, no period shall be taken into account during which the ship is prevented from carrying pilgrims on the return passage by reason of the port of Jeddah having been declared by proper authority to be infected or by reason of war disturbance or any other cause not arising from any act or default of the master, owner or agent."

The members of the Select Committee agreed to the modification on a clear assurance having been given by the Honourable Member in charge of the Department that the Government will enforce the Bill immediately after the cessation of hostilities and even before that, provided that the normal travelling conditions are re-established. I hope the Honourable Member will make a statement to that effect on behalf of the Government on the floor of the House. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved :

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, as reported by the Select Committee, be taken into consideration."

Mr. E. L. C. Gwilt (Bombay: European): Like the Honourable the Mover I have very little to add to what I have already said on this Bill during its two preceding stages. I am glad that the Select Committee have agreed that its provisions shall not come into effect till after the war, and I would reiterate what I have said before, and that is, its probable effect will be to increase fares. That is all I have to say.

The Honourable Dr. N. B. Khare (Member for Indians Overseas): The only amendment that the Select Committee has made in the Bill, as stated by the Honourable the Mover, is a provision that the Bill shall come into force on such date as the Central Government may, by notification in the official gazette, appoint. I have no doubt that the House will appreciate, as the Select Committee did, that the exceptional period of the war is not an opportune time for making alterations in details of administration which are not quite essential or inescapable. I can, however, give the House an assurance that it is the intention of the Government to give effect to the measure as soon as the exceptional conditions under which we now live cease to exist. I have nothing more to add.

Mr. President (The Honourable Sir Abdur Rahim): The question is :

"That the Bill further to amend the Indian Merchant Shipping Act, 1923, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Khan Bahadur Shaikh Fazl-i-Haq Piracha: Sir, I move :

"That the Bill, as amended, be passed."

Mr. President (The Honourable Sir Abdur Rahim): The question is :

"That the Bill, as amended be passed."

The motion was adopted.

THE INDIAN STATES (PROTECTION AGAINST DISAFFECTION) AMENDMENT BILL.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, I am moving No. 12.

Mr. President (The Honourable Sir Abdur Rahim): What about the others?

Qazi Muhammad Ahmad Kazmi: I am not moving them. Sir, I beg to move :

"That the Bill to amend the Indian States (Protection against Disaffection) Act, 1922, for a certain purpose, be circulated for the purpose of eliciting opinion thereon by the 15th August, 1944."

Sir, these are the days when there are limitations on speeches, when there are limitations on the news and everything is in the hand of the Press Adviser, even so far as the proceedings of this Assembly are concerned. There was a time when the atmosphere was more free and we find that unfortunately even at that time an Act which is called the States (Protection against Disaffection) Act was passed at the instance of the Government. The Government of India does not undertake only their own protection but the protection of States also who have got certain relations with them. In this connection, I do not want to cast any reflection on the States but we must at the same time understand that man is after all a man. Situated as the States are without any power whatsoever, with considerable amount of wealth and no ways of spending it but for their own personal satisfaction, we know very well what is the actual condition of the States today. We have got great appreciation of the Rulers of States who are looking to the welfare of their *riyaya*, looking forward to the betterment of the conditions of their people but at the same time there are many who are differently treating their subjects and there is no way in which we can redress those grievances. Government, in 1921, appointed a committee called the Indian Press Committee. That was a very general committee for considering the question of the Press Act itself and it was after the report of that Committee that this Act was enacted in this Legislative Assembly. That was as early as July 1921, and the Committee in their report while dealing with the question of the Princes, said :

"Perhaps the most important of these is the question whether the dissemination of disaffection against Indian Princes through the Press of British India should be penalised in any way. We have been handicapped in our examination of this question by the very inadequate representation of the views of the Princes, many of whom were unwilling to allow their opinions to be placed before the Committee. We have, however, had the advantage of seeing some minutes submitted by them and of examining Sir John Wood, the Secretary of the Political Department (because it is the Political Department who are more interested in the Princes than the Princes themselves). It has been argued that the Government of India is under an obligation. . . ."

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member need not read the whole document.

Qazi Muhammad Ahmad Kazmi:

" to protect Indian Princes from such attacks, that the Press Act alone affords them such protection and that if it is repealed it is unfair, having regard to the constitutional position of the Government of India, vis-a-vis the Indian States, that the Press in British India should be allowed to foment disaffection against the rule of an Indian State. On the other hand, various witnesses have protested in the strongest terms against any such protection being afforded to the Princes."

Mr. President (The Honourable Sir Abdur Rahim): Does the Honourable Member wish to read the whole of that Report?

Qazi Muhammad Ahmad Kazmi: Not the whole of it.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can only read some necessary passages. The report, I suppose, is published.

Qazi Muhammad Ahmad Kazmi:

"It is alleged that the effect of any such provision in the law would be to stifle all legitimate criticism and deprive the subjects of such States of any opportunity of ventilating their grievances."

Then in the end they say:

"We do not, in the circumstances, think that we should be justified in recommending on general grounds any enactment in the Penal Code or elsewhere for the purpose of affording such protection in the absence of evidence to prove the practical necessity for such provision of the law."

[Qazi Muhammad Ahmad Kazmi.]

That was the clear dictum of the committee appointed by the Government of India themselves and it was in July 1921 and we find that only a year afterwards this Bill was brought before the House and though at the very inception of the Bill it was rejected, still it was enacted and guarantees were given that the Government of India will see that it is not misused. We have seen many of the guarantees given by this Government. We have been day in and day out complaining against that without any relief. We know how the working of the Defence of India Rules is going on. But that is only a recent thing. In this case and in this connection we have got the experience of 22 years. I think one further thing has to be considered by the Government in this connection—that in giving relief to the Princes in that way you have given a handle to them which, with their tremendous influences and big finances, is being used to harass and persecute persons who have got the audacity of simply criticising what is going on in the States. We do not exactly know as to how the grievances of the States subjects can be ventilated by the Press, if one is not allowed to criticise their activities. The difficulty is this. I know of cases in which certain criticisms are made against the State. The Editor is by hook or crook got hold of and once he entered the dominion of the States then he is gone. It is not any Act or law under the clutches of which he comes; it is under the clutches of the Ruler himself. I think the Political Department must have full knowledge of the instances of that kind. I know some. I do not want to mention the name of the State because that may not be considered to be proper. But I know the name of a State against which a certain article was published and the Ruler was criticised. A warrant was issued from a place which was quite near the State. The man was arrested, and he came to that place for putting appearance in the court. When he was coming out of the court, he was kidnapped to the State itself and there he was detained under some provision which may be like rule 26 of the Defence of India Rules. In that case the detention is unlimited. I do not know whether they have got any such rule in the States now, but the fact remains that the detention was unlimited. Now, this is how they are dealing with the persons who criticise them. Any number of instances can be quoted in support of this view.

Sir, I do not want to get the repeal of the Act itself. Had it been the question of the repeal of the Act, I think I would have been justified in asking this House to repeal the Act altogether. But I do not do that. What I want is only to get certain amplification by the Government themselves of the promises that were made at the time of the passing of that Act. The promise that they made was that the Act will not be misused and that appeals will lie to the High Court. What I now want is that the man may be tried not at the place where the paper is published or where it is sold but at the place of the residence of the man himself. I do not want to repeal the Act itself, but only to give this little facility to the person who is considered to be guilty of this offence and we want that he may be allowed to be prosecuted by courts of law at the place where he resides and the appeal should lie to the High Court. This is a very simple matter. There does not appear to be any difficulty in view of the facilities that the States command in such matters to prosecute the man not at the place which is far away from his own residence but at the place where he resides and give the power to the High Court in cases of this type to hear the appeal directly. Is it too much for me to ask that the appeal should lie to the High Court directly? In cases of sedition against the Government, the appeal lies to the High Court. When the Government is taking up the case of an Indian State, they may also be prepared to concede the concession that the appeal should lie to the High Court. I would very much like to know what the Government have got to say regarding the jurisdiction of the courts, whether the man should be prosecuted where the paper is published or where he resides. I see absolutely no hardship to the State. I see no reason why the States should have the abnormal right over persons who are not living within their territory

and I am only limiting them to the extent that it may not be possible for the States to bring the man near their own territory and just after the man has been put on his trial before a court of law to kidnap him to their own territory and make him undergo an imprisonment which knows no end. It is only with this view that I have brought this very simple and very innocuous measure. So far as the States are concerned, it does not take away any of their rights which have been recognised by the House under this Act.

Sir, I am asking only for the circulation of this measure and I am simply astonished to find that the Government are not prepared to circulate a Bill of this kind. What is the view of the Government? Are they the custodians of the welfare of the Princes only and not of the subjects who are residing in their own territories? I have just read out to the House the opinion of the Press Act Committee who said that no opinions were offered to them by the Princes. I have not heard of any representation by the Princes themselves. Are the Government prepared to get the opinion of the Princes themselves in respect of this measure and circulate it amongst them? Are the Government prepared to make an inquiry into the unlimited number of cases in which this Act has been misused? Are they prepared to call upon the States and ask them to give a reply to these charges? Instead of stifling the Bill at this stage, are the Government prepared to give the country an opportunity of expressing their experiences in the matter? The law has been in force for 22 years. Let us see whether during this time it has been rightly applied or whether it has been misused by the Princes? Even if that opinion is not required by the Government of India, who think that whatever the Princes do is right, then I want to deny that position most humbly but still very strongly because I doubt very much if they have got any expression of opinion from the Princes themselves.

Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved—
“That the Bill to amend the Indian States (Protection against Disaffection) Act, 1922, for a certain purpose, be circulated for the purpose of eliciting opinion thereon by the 15th August, 1944.”

Mr. Lalchand Navalrai (Sind Non-Muhammadian Rural): Sir, I rise to support the motion. This motion seeks to amend section 3 of the Indian States (Protection against Disaffection) Act of 1922. Section 3 of that Act makes the editor, the printer or the publisher and the author of any book punishable if he excites disaffection against the Ruler of any State. Now, by this amendment two demands are made. In the first place, a person who edits or publishes or prints any paper, which is considered to have excited disaffection against any State, should be tried in India or at the place where he resides or at the place where the paper or the book is printed and published. When an offence of this nature is committed in India, I think it will be committed by the Indian subjects and they should have some protection against any trial that takes place according to this Act in the territory of the States. I think if the Government of India allows that, for anything that is done in British India, and people are extradited to the State, then they would be giving away the rights of the people of British India of being tried in British India. Of course, they do many things. They try for all those heinous offences more heinous than the offences covered by this Act. Therefore it would be only fair that the trial should be given to them here. That will do two things, one is to give convenience to these people and second, to remove the difficulties of being extradited to the State thereby putting them to so much inconvenience and expense. Also, there would be less facility for legal advice to them in those States. To remove that inconvenience, this Bill is brought forward by my Honourable friend. Another advantage is that people tried in British India will get better justice than they would get in the States. The States are more or less politically backward. There are regulated and there are non-regulated places. Many of the States might as well be put into non-regulated category where people are considered not civilised yet. Why should a person be handed over to the State for trial? If you are going to give the Princes protection, then the people of British India

[Mr. Lalchand Navalrai.]

also should be given protection in the sense of being tried here. Therefore the demand of the Honourable the Mover is very reasonable. Their cases should be reviewed by the High Court. As my Honourable friend has put it, there was an assurance in black and white given by the Government at some time. That assurance must be fulfilled. Otherwise, they will be open to the charge of going back upon their promise. This House also should help in order to get that assurance of the Government fulfilled. I therefore submit that this Bill is a fair measure. The Honourable Member only wants to elicit public opinion. He is taking a cautious step. He has not asked that the Bill should be taken into consideration. Let us have public opinion, the opinion of even the Press that may be working in British India and in the States. Let us see what their view is, whether these editors are allowed freedom of speech or whether they are gagged and awarded severe punishment. That is why we should have public opinion. Let us examine and scrutinise their reasons and then it will be for the House and for the Government to accept this Bill or not. At this stage the Bill should not be thrown out, it should be allowed to be circulated.

The Honourable Sir Asoka Roy (Law Member): Sir, I oppose this motion for circulation of the Bill. I hope to be able to satisfy the House in a very few minutes that this Bill is entirely misconceived. Honourable Members will have noticed that the Honourable the Mover proposes to amend the Indian States (Protection against Disaffection) Act, 1922, by the insertion of a new sub-section after sub-section (2) of section 3. It would be useful if I reminded Honourable Members of the terms of section 3 of the Indian States (Protection against Disaffection) Act, 1922. That section runs in these terms:

"Whoever edits, prints or publishes, or is the author of, any book, newspaper or other document which brings or is intended to bring into hatred or contempt, or excites or is intended to excite disaffection towards, any Prince or Chief of a State in India or the Government or Administration established in any such State, shall be punishable with imprisonment. . . ."

I need not read out anything more.

The Honourable the Mover wishes to make an amendment to this Act and the amendment which he seeks to introduce runs in these terms:

"Every person accused of committing an offence under this section shall be prosecuted and tried in a Court of law in the town or district where such publications were printed and in every case the appeal shall lie to a High Court of Judicature."

Sir, I will deal separately with the two points involved in the proposed new sub-section. The first proposition, as Honourable Members will have noticed, is that every person accused of an offence under section 3 shall be tried in a court of law in the town or district where the offending publication was printed, as opposed to where the publication was in fact made. Now, Sir, the place at which a criminal offence may be tried is determined by Sections 177—188 of the Code of Criminal Procedure. The primary rule is that contained in section 177, namely,—

"Every offence shall ordinarily be enquired into and tried by a Court within the local limits of whose jurisdiction it was committed."

Now, Sir, it is settled law that under the operation of this section an offence consisting in the publication of a document is within the local jurisdiction of any court having jurisdiction in any area to which a copy of the offending document has been sent. Thus in any case where the *factum* of an offence consists in the publication of a document—and, Honourable Members are aware, such offences may be punishable under a considerable variety of penal provisions—the prosecution has an option as to the venue and it is free to launch the prosecution in any of the places in which the offending document has circulated. Sir, it seems to me that it would be entirely illogical to deprive the prosecution of this option as to venue in the case only of offences punishable under section 3 of the Indian States (Protection against Disaffection) Act.

Mr. Lalchand Navalrai: That is what he wants.

The Honourable Sir Asoka Roy: That I think would be entirely illogical and unreasonable. If it were desirable to curtail this option the amendment of the law should be directed generally at all relevant offences and should be made with general effect in the Code of Criminal Procedure.

THE INDIAN STATES (PROTECTION AGAINST DISAFFECTION) AMENDMENT BILL 781

Sir, in this connection, I may be permitted to remind Honourable Members of this House who belong to the legal profession of Mr. Justice Strachey's dictum in his charge to the jury in Tilak's case to the effect that the Bombay High Court had original jurisdiction by reason of copies of the offending journal which was printed in Poona having been sent to

Sir, I should like Honourable Members to consider if the proposed amendment of the law is reasonable. Take the case of an author who is sought to be proceeded against under this section; where is he to be prosecuted if, for instance, you find him residing in a particular place and the printing or the publication takes place elsewhere? The Honourable the Mover says in his Bill:

"Every person accused of committing an offence under this section shall be prosecuted and tried in a court of law in the Town or district where such publications were printed."

What are you going to do with the author who resides in one particular place and the publication is printed in another place? Are you going to prosecute that author in the place where the publication is printed and perhaps, not published and where he is not to be found at all? I am only drawing your attention to this aspect of the matter but my main objection to the proposed amendment of the law in regard to the venue of trial is that it would be entirely illogical to single out this particular offence for special treatment.

Qazi Muhammad Ahmad Kazmi: The printer and publisher are also liable.

The Honourable Sir Asoka Roy: I know, but should you not be able to prosecute the author if you choose to do so? What I am trying to emphasise is this that there is no reason to single out this particular offence for special treatment.

Qazi Muhammad Ahmad Kazmi: Because it is a special favour to the States.

The Honourable Sir Asoka Roy: But the prosecutions are conducted under the terms of the Code of Criminal Procedure. The Act applies only to British India, a fact of which my Honourable friend, Mr. Lalchand Navalrai, does not seem to have been aware.

I shall now deal with the second proposition involved in the proposed amendment, which is that in every case an appeal shall lie to the High Court of Judicature. Sir, by section 5 of the Indian States (Protection against Disaffection) Act, 1922, an offence thereunder is triable by a court not inferior to that of a Presidency Magistrate or a Magistrate of the First Class. Where the offence is tried by a Presidency Magistrate the appeal will lie to the relevant Presidency High Court under section 411 of the Code of Criminal Procedure; where the offence is tried by a Magistrate of the First Class the appeal will lie to the Court of Sessions under section 408 of the Code. Here again I can see no case for a disturbance of the ordinary course of appeal with reference to an offence under this particular section. I should also like in this connection to draw attention to the fact that the Honourable the Mover has used in his Bill the words "High Court of Judicature". I do not know exactly what was in his mind when he used these words. Did he mean Chartered High Courts alone or did he mean any High Court within the meaning of the Code of Criminal Procedure?

Qazi Muhammad Ahmad Kazmi: Any High Court.

The Honourable Sir Asoka Roy: I do not know why the words "High Court of Judicature" were used at all.

There is one other matter I should like to deal with. In the Statement of Objects and Reasons there is an allegation that when the Act was enacted Government gave an assurance that in every case the defendant would have the right of appeal to a High Court. That allegation is entirely incorrect. The allegation is presumably based on an observation by Sir William Vincent while speaking on the Bill in the other House. I will read his exact words. What he said was:

"Those who offend against this law will not be liable to summary action at the hands of the executive. They will be tried before a court of law or a Magistrate and the accused will, I suppose, ultimately have a right of going up to the High Court."

[Sir Asoka Roy.]

He did not say, he could not say and obviously he did not mean to say that an appeal would lie to the High Court. In observing that those who offend against the law would, he supposed, ultimately have a right of appeal to the High Court, he doubtless had in mind the fact that the jurisdiction of the High Court would be exercisable in favour of a person under the Act by a Magistrate and whose appeal to the Sessions Court had been dismissed. I observe also that he did not refer to "High Court of Judicature", which expression as used in the Bill is presumably intended to denote a Chartered High Court. The revisional jurisdiction of the High Court will, of course, fall to be exercised by whatever High Court within the meaning of the Code of Criminal Procedure, whether a Letters Patent High Court, a Chief Court or a Judicial Commissioner's Court, is the court having jurisdiction in respect of a court in which the original conviction has been held or maintained on appeal. Here again there can be no case for interfering with the normal venue of revisional jurisdiction.

I shall now deal with certain points made in the course of speeches in this House. My Honourable friend the Mover made a speech which really was one which could appropriately have been made on a Bill to repeal this Act. My Honourable friend seems to have been quite aware of that because he took the precaution of maintaining in the course of his speech that he did not want a repeal of the Act. He was obviously feeling afraid that Members of the House might easily misunderstand him and believe that he was moving for the repeal of the Act.

Mr. Lalchand Navalrai: I do not think there is any misunderstanding on this side.

The Honourable Sir Asoka Roy: As regards my Honourable friend, Mr. Lalchand Navalrai, I have not been able to follow him at all. He talked of extradition; I do not know what made him think of extradition. The Indian States (Protection against Disaffection) Act, 1922, applies only to British India and the trials which we are concerned with would only be trials in British India. The Act does not purport to deal with trials in Indian States. Then again my Honourable friend, Mr. Lalchand Navalrai, talked of circulating the Bill in the Indian States. I do not know how that can be done.

Mr. Lalchand Navalrai: Through the press.

The Honourable Sir Asoka Roy: Or why it should be done when we are dealing with a Bill which is pending before the Legislative Assembly here.

Mr. Lalchand Navalrai: Because it affects them.

The Honourable Sir Asoka Roy: It does not affect the States at all.

Mr. Lalchand Navalrai: Rather it is in their favour.

The Honourable Sir Asoka Roy: My Honourable friend, Mr. Lalchand Navalrai, does not seem to be aware of the fact that we are dealing with a piece of British Indian legislation.

Mr. Lalchand Navalrai: I do understand it.

The Honourable Sir Asoka Roy: And we are concerned only with trials in British Indian Courts under the Code of Criminal Procedure. We are not concerned in any way with trials in the Indian States. If my Honourable friend, Mr. Lalchand Navalrai, ever does anything that would make him liable under the Indian States (Protection against Disaffection) Act, 1922, he, I suppose, would prefer to be tried in a British Indian Court and would not like to have any extradition proceedings taken against him. Sir, I could not help feeling that my Honourable friend, Mr. Lalchand Navalrai, was suffering from some confusion of mind when he

Mr. Lalchand Navalrai: He is very clear always.

The Honourable Sir Asoka Roy: . . . got up to support the Honourable the Mover. My Honourable friend said he is very clear always. I shall say he is clear sometimes. Sir, I hope I have given sufficient reasons for asking this House to reject this motion.

Mr. Lalchand Navalrai: Not satisfactory reasons.

Sardar Sant Singh (West Punjab Sikh): Sir, I do not want to intervene in this debate except to bring to the notice of the Honourable the Law Member and the country at large the fact, which probably he will admit, that this piece of legislation is an extraordinary piece of legislation transgressing all the principles of British criminal jurisprudence. This legislation is intended to afford special protection to those who are not . . .

The Honourable Sir Asoka Roy: I do not quite follow my Honourable friend. We are discussing the amendment of a particular Act which is already on the Statute-book, and my Honourable friend is talking of the original Act itself as being a bad piece of legislation. I submit that is a question with which the House is not at present concerned.

Mr. President (The Honourable Sir Abdur Rahim): The object of the Mover seems to be to amend the Act in such a way as to make it more acceptable, but he cannot now argue against the original Act itself.

Sardar Sant Singh: Sir, I am afraid the Honourable Member did not quite follow me. If I was not clear I shall make myself more clear on this point. What I was submitting was that the Indian States (Protection against Disaffection) Act is an extraordinary piece of measure. It transgresses all the principles of the British criminal jurisprudence and therefore if an amendment is attempted of that Act it is because the extraordinary cases must be met with extraordinary measures. That is my plea. Here, when a prosecution is launched by or on behalf of a Prince under this Act, you have to deal on one side with a man very resourceful both as regards finances as well as in other matters and on the other an accused person who is poor and who cannot afford to fight on equal terms with a Prince. A case has happened where the editor of a Paper in Delhi was prosecuted somewhere in C. P., at a distance of about 4 or 5 hundred miles from the headquarters. Cases have happened where Princes have brought all the resources of their States to bear upon the prosecution. Will he agree with me or not that the accused and the prosecutor should, on principle, be on the same level and should have the same facilities when such a prosecution is launched. If he is in favour of this, then in that case he will have to make an extraordinary provision which is quite apart from the provisions of the Criminal Procedure Code, namely, that the prosecution should be launched at a place where the publication takes place—and by publication, I mean original publication, and not the legal term 'publication'—or where the accused resides. I know we are departing from the principles of the Criminal Procedure Code when we are proposing to amend this legislation. I know this and I also agree with my Honourable friend that in ordinary cases the general principles of law should not be departed from, but if the Government has chosen to bring an extraordinary piece of legislation on the Statute-book, they should be prepared to make certain exceptions in order to see that the accused gets a fair trial, and he is not knocked out of the field by the more powerful force of his opponents. For that purpose, Sir, I support this amendment.

The Honourable Sir Sultan Ahmed (Leader of the House): I will put one question to Mr. Kazmi to which he may give his answer when he is replying. Supposing Mr. Kazmi wrote a book which was defamatory to any State and that was printed in England, where will he be prosecuted?

Qazi Muhammad Ahmad Kazmi: Sir, I quite see the force of the observation of the Honourable the Leader of the House regarding the word "printed". When I was hearing the speech of the Honourable the Law Member I was thinking of that, and I have not the least hesitation in accepting the necessary amendment, and I hope that the Government will be as reasonable as my humbleself.

Now let us examine the objections that have been raised by the Honourable Government.

An Honourable Member: Honourable!

Qazi Muhammad Ahmad Kazmi: Yes, taking them to be so! Where was the necessity of this particular piece of legislation I have not been able to understand? Are the Princes part of British India? Have they got the same rights and liabilities as any other subject of the British India? If it were so, then there was no question of bringing this piece of legislation altogether. This piece of legislation has been enacted in order to give a handle to the Princes, who are not under any liability of British law, against persons . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is speaking against the entire Act.

Qazi Muhammad Ahmad Kazmi: The case of the Government is that because certain provisions of the Code of Criminal Procedure . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot argue against the Act itself.

Qazi Muhammad Ahmad Kazmi: . . . will have to be modified on account of the amendment before this House, it will change the law of British India. Therefore, it should be rejected. My submission is that this law is against the law of British India itself, and if you want to support it you must also consider the convenience of the people who have got the misfortune of living as your subjects. Are the Princes the only ones who deserve your protection and you care for their convenience more than for the convenience of the people who are living in this unfortunate land? I perfectly agree that the objection is correct so far as the word "printed" is concerned but that is a matter which may be easily rectified in Select Committee.

I want to ask this question. Are the Government satisfied that there has been no misuse, no abuse of this law by the Princes? I quoted an instance in which a man was prosecuted quite near the borders of a State, and it was quite easy for the Ruler of the State to have the man kidnapped and keep him in detention and this facility was quietly enjoyed by the State. Or, as observed by Sardar Sant Singh, a case might be lodged at a place so far away from the place of publication that the man might be ruined on account of the extraordinary expenses of the litigation itself. Are these things approved by the Government? Do not Government consider the misuse to which this Act has been put? If it is so, then they should, dispassionately, consider the propositions that are placed before them. It is only after discussion, after asking people for their opinion about it that you can come to any decision in the matter and to some such result as may be acceptable to the parties concerned. I do not think that it is denied by the Government that the Act has been abused.

The very well reasoned speech by the Honourable the Law Member has been absolutely limited to the legal position. But even that position is not so difficult. I have already said that when you can oust the jurisdiction of the High Courts for your own purposes, this is not a very novel kind of legislation. I am only giving the High Court power to hear the appeal. Day in and day out, you are ousting the jurisdiction of the High Court. I admit that this House has never had the audacity to do that. But today in this country we find so called laws in the name of Ordinances which oust the jurisdiction of the High Courts and they are considered to be proper law according to some unknown principles of jurisprudence.

Now, what strange thing have I suggested? I have suggested that the High Court should have power to hear an appeal. If it requires a little amendment in the Code of Criminal Procedure that may be effected. What I say is that at present the place of trial is very unlimited. You can say that the Paper was circulated at such and such a place and so the editor can be prosecuted there. This is a very special piece of legislation in which the person who launches the prosecution is not subject to the laws of this land. This has been enacted in his favour and he is a person who can easily finance litigation. Let him spend a little more money and prosecute the man where he resides or where the paper is printed. I would add that the addition of the words "where the man resides" would take away the objection of the Honourable the Law Member. I move that the Bill be circulated.

THE INDIAN STATES (PROTECTION AGAINST DISAFFECTION) AMENDMENT BILL 785

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the Bill to amend the Indian States (Protection against Disaffection) Act, 1922, for a certain purpose, be circulated for the purpose of eliciting opinion thereon by the 15th August, 1944."

The motion was negatived.

THE DELHI MUSLIM WAKFS (AMENDMENT) BILL.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): Sir, I beg to move for leave to introduce a Bill to amend the Delhi Muslim Wakfs Act, 1943.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That leave be granted to introduce a Bill to amend the Delhi Muslim Wakfs Act, 1943." The motion was adopted.

Maulvi Muhammad Abdul Ghani: Sir, I introduce the Bill.

The Assembly then adjourned till Eleven of the Clock on Friday, the 3rd March, 1944.

(g) As far as possible, only those were transferred to the R. M. S. who were willing to go over. In the case of others, the transfer is of a temporary nature.

(h) The reply to the first part is in the affirmative and to the latter part in the negative.

(i) The facts are not as stated by the Honourable Member.

(j) No.

Mr. Lalchand Navalrai: What greater efficiency is required for taking over the charge of the R. M. S.?

Sir Gurunath Bewoor: Because the work is connected with sorting and the R. M. S. specialises in sorting.

Mr. Lalchand Navalrai: Is not sorting going on in the Postmaster's office also, where the clerks are doing the same sort of sorting?

Sir Gurunath Bewoor: No, Sir. It has now been transferred to the Superintendent, R. M. S.

Mr. Lalchand Navalrai: Have they not been doing it in the past? If so, why these people were sent to the R. M. S. when the other people knew the sorting work?

Sir Gurunath Bewoor: Sir, due to the increase in work, a new Division, called the R. M. S. Division, with a Superintendent, was constituted in the Sind and Baluchistan Circle. There was not any such separate Superintendent before. Since we constituted this Division with a Superintendent, the work of sorting from the G. P. O. was transferred to the Superintendent, because in the G. P. O. the clerks who do the sorting are liable to be transferred to other kind of work and their experience is lost, whereas in the R. M. S. Division the clerks who do the sorting will continue to do the sorting all their service.

Mr. Lalchand Navalrai: May I know if these clerks who have been transferred to the R. M. S. will supersede in promotions and other things the clerks on the staff of the G. P. O.?

Sir Gurunath Bewoor: The R. M. S. cadre is separate and has nothing to do with the G. P. O.

Mr. Lalchand Navalrai: The clerks who are taken away to the R. M. S. are juniors, as is mentioned in part (h) of the question. Will not these junior clerks supersede the other clerks who are senior to them?

Sir Gurunath Bewoor: To part (h) I have answered: The reply to the first part is in the affirmative and to the latter part in the negative.

There is no question of supersession. Promotions to the selection grade posts are made, according to the rules contained in the Post Office Manual, the best people being selected in order of seniority subject to the rejection of the unfit. Certain clerks who are in the G. P. O., if they are willing to come over to the R. M. S., will be taken in the R. M. S. cadre. If they are not so willing, then the people in the R. M. S. cadre will be appointed to the posts.

RECRUITMENT TO LOWER GAZETTED SERVICE AT JAMALPUR AND MOGHULPURA WORKSHOPS.

299. ***Mr. Ananga Mohan Dam** (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Will the Honourable the Railway Member please state if it is a fact that in the Lower Gazetted Service about 33½ per cent. of posts are reserved for persons to be promoted from subordinate posts and the rest of the posts in the superior cadre are to be filled by direct appointment, either from competitive examinations held in India or by appointment of people from non-Asiatic countries? If not, what is the real fact?

(b) Is it a fact that the 66½ per cent. of the jobs are to be filled by special class apprentices selected after a training of six years at Jamalpur?

(c) Is it a fact that out of the apprentices who are trained at Jamalpur, a number is rejected after a training of four years, and that there is not sufficient number of qualified candidates available for the jobs on Railways?

(d) Is it a fact that the jobs so left vacant are filled up from the subordinate posts and the incumbents are kept as temporary hands for a long period of years

to avoid the technical objection of being more than 33½ per cent. from subordinate grades?

(e) Is it a fact that the persons so taken from subordinate services are mostly Anglo-Indians, who occupy these posts for eight or ten years till they retire?

(f) Is it a fact that the persons so promoted from the subordinate staff have no academic or engineering qualifications except primary education?

(g) Is it a fact that at Jamalpur alone two Works Managers, the Production Engineer and the Personal Assistant to the Deputy Chief Mechanical Engineer, belong to this class of temporary hands?

(h) Is it a fact that similar conditions prevail in Moghulpura Workshops and in the rolling stock side of the Operating (Power) Department on the East Indian Railway?

The Honourable Sir Edward Benthall: (a) The Lower Gazetted Service is reserved for the promotion of deserving subordinates. In the Superior Service, 15 per cent. of the total vacancies (which is the same as 20 per cent. of the vacancies filled in India) are reserved for promotion from the Lower Gazetted Service or subordinate services, the remaining vacancies being filled by direct recruitment in India and the U. K.

(b) 80 per cent. of the vacancies filled in India—which is 65 per cent. of the total vacancies—in the Mechanical Engineering and Transportation (Power) Departments are filled by the appointment of Special Class Apprentices who have completed their training.

(c) Yes, but the rejection of some Apprentices has not contributed materially to the shortage.

(d) Vacancies for which direct recruits are not available are filled temporarily by the officiating promotion of subordinates. Promotions in excess of the percentage fixed are neither permissible nor in the public interest.

(e) Promotions are not made on communal considerations and I am not aware of men having officiated for eight or ten years till they retired.

(f) Yes, but their experience is considered sufficient ground for their promotion.

(g) The two Works Managers are direct recruits while the Production Engineer and P. A. to the Deputy Chief Mechanical Engineer are promoted subordinates.

(h) One of the Works Managers is a promoted subordinate. Promoted subordinates are appointed to positions which they are considered fit to hold.

Mr. Muhammad Nauman: Is it a fact that 100 per cent. of the L. G. S. are taken by the method of promotions or was it ordered by the Railway Administration that only 80 per cent. will be taken by promotion and 20 per cent. by direct recruitment?

The Honourable Sir Edward Benthall: I require notice of that question, but I am under the impression that practically the whole of the L. G. S. are taken by promotion.

Mr. Muhammad Nauman: May I ask the Honourable Member to make an inquiry in the matter because the practice has been and we have always been told that only 80 per cent. of the L. G. S. were taken by promotion and 20 per cent. were to be recruited direct. That was the practice before; it might have been changed now.

The Honourable Sir Edward Benthall: I do not think that is the case, but I will make inquiries.

Mr. Lalchand Navalrai: May I know with regard to part (c) of the question, whether the reply of the Honourable Member was that the cases of persons who have got training for four years and are rejected afterwards will not even be re-examined?

The Honourable Sir Edward Benthall: My answer was "yes".

Mr. Lalchand Navalrai: Will they not be re-examined or something done for them because it is hard for them to be rejected after four years training?

LEGISLATIVE ASSEMBLY

Friday, 3rd March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBERS SWORN:

Sir John Francis Sheehy, C.S.I., M.L.A. (Government of India: Nominated Official);

Mr. Charles William Ayers, C.I.E., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

TRANSFER OF CONTROL OF SORTING DEPARTMENT, ETC., TO R. M. S. SUPERINTENDENT IN KARACHI.

298. *Mr. Lalchand Navalrai: (a) Will the Secretary for Posts and Air please state if it is a fact that Sea-borne Mails and Air Mails were being handled by the Karachi General Post Office?

(b) Is it a fact that from 8th November, 1943, the control of the Sorting Department, Air Mail Department, Letter Export Department, and Foreign Mails was transferred from the control of the First Class Postmaster, Karachi, to the Superintendent of R. M. S., who is of much lower status than the Postmaster of the General Post Office, Karachi?

(c) Why was the control thereof transferred to an officer of much lower status?

(d) Is it a fact that an Inspector of R. M. S. was directly promoted to take over charge of the above Departments from the First Class Postmaster of the Karachi General Post Office?

(e) Is it a fact that the above Inspector has been reverted within a week's time and another Inspector from R. M. S. appointed as Superintendent to conduct the above Departments?

(f) Is it a fact that the permanent staff in the Karachi General Post Office expressed in writing their unwillingness to be transferred to R. M. S.?

(g) Is it a fact that clerical and inferior staff was transferred to R. M. S. against their wishes?

(h) Is it a fact that the selection grade officers in the Karachi General Post Office were not taken up in the R. M. S., and the junior staff in the R. M. S. and in the office of the Director of Posts and Telegraphs, Sind and Baluchistan Circle, were promoted to these selection grade appointments?

(i) Is the Honourable Member aware that the work of Air Mails, Foreign Mails, and Inland Mails has gone into mess?

(j) Do Government propose to appoint an officer of the status of the Postmaster General with experience of Bombay, Calcutta or Madras Post Offices to investigate into the matter?

Sir Gurunath Bewoor. (a) Yes.

(b) Yes, but I would like to point out to the Honourable Member that the Superintendent of the R. M. S. is not of a lower status than the Postmaster of Karachi.

(c) The control was transferred in the interests of efficiency of administration and, as already stated, the officer to whom the control was transferred is not of a lower status.

(d) and (e). Yes.

(f) No.

The Honourable Sir Edward Benthall: I understand there is no engagement to take on these apprentices. If they have completed their course, they will be fitted for other work as well.

Mr. Lalchand Navalrai: What I am asking is only to remove the hardship. Will the Honourable Member consider this question and try to do something for them. After they have had four years training, they should be given a chance to take advantage of their training?

The Honourable Sir Edward Benthall: I do not think there is any hardship. SPECIAL CLASS APPRENTICES AT JAMALPUR WORKSHOP.

300. *Mr. Ananga Mohan Dam (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Will the Honourable the Railway Member please state if it is a fact that the number of special class apprentices taken at Jamalpur used to be five to seven per annum with guarantee of employment?

(b) Is it a fact that recently the number has been increased from ten to twenty, but the guarantee of employment has been taken away?

(c) What is the actual percentage of the qualified persons trained at Jamalpur to the unqualified persons taken from the subordinate grade on various Railways?

(d) In view of the acquisition of the large number of Railway lines by Government and the dearth of qualified persons available for the superior staff, have Government considered the advisability of increasing the number of special class apprentices at Jamalpur or elsewhere and giving them a guarantee of appointment?

The Honourable Sir Edward Benthall: (a) Yes, but all the Special Class Apprentices were not given a guarantee of appointment.

(b) Yes.

(c) The information is not readily available.

(d) The number of Special Class Apprentices recruited annually has recently been increased and the question of reviving the guarantee of appointment will be considered when the present conditions have ceased to exist.

Mr. Muhammad Nauman: May I know if the rule about the communal quota also applies in the matter of apprentices who are taken there?

The Honourable Sir Edward Benthall: I think the answer is in the affirmative, but I should like to have notice of that question.

DISCRIMINATION BETWEEN INDIAN AND ANGLO-INDIAN APPRENTICES AT JAMALPUR WORKSHOP.

301. *Mr. Ananga Mohan Dam (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Will the Honourable Member for Railways please state if it is a fact that Indian apprentices in the apprentice class at Jamalpur were given Rs. 10, Rs. 15 and Rs. 20 according to the year of apprenticeship, and Rs. 30 per mensem was taken as the price of food supplied to them?

(b) Is it a fact that the cost of food supplied to Anglo-Indian apprentices used to be calculated at the same rate of Rs. 30 per month, and they were given a sum of Rs. 25 per month, irrespective of the year of apprenticeship to make up the minimum of Rs. 55 guaranteed by the Government of India to Anglo-Indians?

(c) Is it a fact that deductions are made from the dearness allowance to which Indian apprentices are entitled due to the increase in the price of food and other articles and similar deductions are made from the allowances of Indian apprentices in the special class, who are not even supplied food, but no such deductions are made from the allowances of the Anglo-Indian apprentices?

(d) If the answer to (c) be in the affirmative, have Government considered the advisability of abolishing this distinction between Indians and Anglo-Indians? If not, why not?

The Honourable Sir Edward Benthall: (a) to (d). I have called for information and a reply will be laid on the table of the House in due course.

Mr. Lalchand Navalrai: Will the Honourable Member see that no distinction is made between the Anglo-Indians and Indians as that, I think, is the present policy of the Government?

The Honourable Sir Edward Benthall: The rules will be adhered to.

DESIRABILITY OF POSTING A MUSLIM DEPUTY POSTMASTER GENERAL IN THE UNITED PROVINCES.

302. *Mr. Muhammad Azhar Ali: (a) Will the Secretary for Posts and Air please state if it is a fact that for over a decade there has been no Muslim on either of the two posts of Deputy Postmasters-General in the United Provinces, and will Government please intimate who held the posts in the Circle either in permanent or officiating capacity during the said period?

(b) Is it a fact that complaints have been brought to the notice of the Indian Posts and Telegraphs Department regarding prejudicial treatment to Muslims in the United Provinces?

(c) Is it a fact that the Staff and Establishment Branch was under a junior Deputy Postmaster-General, United Provinces, while the senior Deputy postmaster-General held charge of the Fraud Branch?

(d) Do Government propose to post a Muslim Deputy Postmaster-General in the United Provinces as incharge of Staff and Establishment, irrespective of his juniority or seniority to the other Deputy Postmaster-General to meet the long felt demand of the Muslim community?

(e) Is it a fact that the Deputy Postmaster-General, Staff and Establishment, in the United Provinces, is proceeding on leave? If so, do Government propose to post a Muslim Deputy Postmaster-General on the said officer's relief?

Sir Gurnath Bewoor: (a) The reply to the first part of the question is in the affirmative. A statement is laid on the table giving the names of the officers who have held appointments as Deputy Postmasters-General in the United Provinces Circle during the last ten years either on officiating or permanent basis.

(b) Yes. Government are satisfied that the complaints are baseless.

(c) Yes; at one time.

(d) Not at present.

(e) The reply to the first part of the question is in the affirmative; the latter part does not arise in view of the reply to (d).

Names of officers who held the posts of Deputy Postmasters-General, United Provinces Circle, during the last ten years, either on officiating or permanent basis.

Mr. Brij Bhushan Lal.
Mr. W. P. Morley.
Mr. T. J. Daintith.
Mr. Bhagat Singh.
Mr. N. C. Dutt.
Mr. R. E. Shalom.
Mr. K. P. Sen.

Rai Bahadur Kundan Lal.
Rai Sahib (now Rai Bahadur) J. N. Dar.
Mr. J. H. Owens.
Mr. (now Rai Bahadur) J. B. Lal.
Mr. Daulat Rai.
Mr. P. S. Jaini.
Mr. J. E. Davison.

Mr. Muhammad Azhar Ali: Is it the decided policy of the Government not to appoint for decades any one as Deputy Postmaster-General among the Muslims in the U. P.?

Sir Gurnath Bewoor: The policy of the Government is not to make postings on communal grounds. It is not their policy that a Muslim should not be appointed; nor is it their policy that a Muslim must be appointed.

NON-BOOKING BY MAIL TRAINS BETWEEN DELHI AND MUTTRA.

303. *Seth Sunder Lal Daga: (a) Is the Honourable Member for Railways aware that no tickets are available from Delhi Main Station to Muttra Junction, and vice versa, by the Great Indian Peninsula Bombay Mail and the Bombay, Baroda and Central India Frontier Mail trains?

(b) Does he not think it desirable that as there are no other convenient fast trains between the two stations, and, as Muttra Junction is the headquarters of the district, and is one of the well-known places of the Hindu pilgrimage, the rule against the issue of such tickets be relaxed, and tickets be directed to be issued, as a special case?

(c) Is the Honourable Member further aware that great hardship is caused at the Muttra Junction Station by the rigid insistence on the part of Booking Clerks

on the payment of the exact amount of fares so much so that in case the fare is Rs. 6-15-0, they will decline to accept Rs. 7 and refund even one anna?

The Honourable Sir Edward Benthall: (a) The answer to the 1st part of the question is in the affirmative. In regard to the 2nd part of the question, there is now no restriction in the booking of 1st and 2nd class passengers between Delhi main station and Muttra by the B. B. & C. I. Frontier mails.

(b) The Honourable Member's suggestion has been conveyed to the G. I. P. Railway for consideration.

(c) I am informed that Muttra Junction is provided with floating cash in small change and in normal circumstances there is no reason why change of one anna should not be issued.

Mr. Lalchand Navalrai: May I know if there is any fast passenger trains between Muttra and Delhi?

The Honourable Sir Edward Benthall: Besides the B. B. & C. I. Frontier Mail there are also other trains, 14 Up North East Passenger and 11 Down North East Passenger and on alternate days a Parcel and Passenger train both ways.

Sardar Sant Singh: Is the Honourable Member aware that at Muttra the railway staff do not look to the requirements of the passengers promptly and there are very many complaints against them?

The Honourable Sir Edward Benthall: I do not think that that question arises, but...

Sardar Sant Singh: That arises from part (d).

The Honourable Sir Edward Benthall: ... but in the matter of small change the question is being taken up with the railway.

Pandit Lakshmi Kanta Maitra: At present is there any restriction with regard to intermediate and third class passengers on the Bombay Mails?

The Honourable Sir Edward Benthall: There is a restriction on the intermediate class, I think.

Pandit Lakshmi Kanta Maitra: Up to a certain mileage?

The Honourable Sir Edward Benthall: Up to 100 miles.

ACTION FOR STIMULATING COAL RAISINGS IN CENTRAL AND SOUTHERN INDIA.

304. *Mr. K. C. Neogy: (a) With reference to the Honourable Member's statement in his Budget speech on the 17th February last that nothing would assist the Railway transportation problem more profoundly than a substantial increase in coal raisings in Central and Southern India, will the Honourable Member for War Transport be pleased to state what action is being taken by Railways for the purpose of stimulating such increase?

(b) Is it a fact that certain coal fields in the central parts of the country are at present incapable of development because of the absence of Railway connection? If so, does the Honourable Member propose to make a statement, indicating the policy which the Railway Department proposes to follow for the purpose of providing Railway facilities in the interest of developing coal resources of such areas at an early date?

(c) Will the Honourable Member be pleased to mention any project that may be under consideration of the Railway Department, or may have been suggested by any party concerned, for the purpose of developing coal resources of any such area? Is private enterprise going to be encouraged for the extension of Railway communication to any such area?

The Honourable Sir Edward Benthall: (a) Action open to Railways is under three main heads: (i) Purchase of coal; (ii) Supply of wagons; and (iii) Provision of line facilities.

In regard to (i), if coal is of the appropriate quality, Railways will be glad to accept allotment to them of the maximum quantity they can use. In regard to (ii), they endeavour to arrange to supply wagons to meet the total production and this policy will continue. As regards (iii), the Railway Department will give all assistance in its power in furthering proposals designed to increase the coal production.

(b) I understand this is so. In reply to the second portion of the question, the Railway Department's policy is as indicated in the reply to part (a).

(c) This question is one of those engaging the attention of the Coal Commissioner and I am not in a position to make any statement at the present time.

INVESTIGATIONS FOR SECURING FUEL ECONOMY BY RAILWAYS.

305. *Mr. K. C. Neogy: (a) Will the Honourable Member for Railways be pleased to state what investigations, if any, are being carried on for the purpose of securing fuel economy by Railways?

(b) What is the approximate proportion of low grade coal that is at present used by Railways?

(c) Has the attention of the Honourable Member been drawn to a statement made by Dr. H. K. Sen, Director, Indian Lac Research Institute, and Chairman of the Fuel Research Committee of the Board of Scientific and Industrial Research, in the course of a series of lectures delivered in December, 1943, at the Patna University, and reported in the Press in the third week of December, to the effect that the Railways use ten million tons of good coal annually which could be substituted by soft coke, and that some of the progressive countries in Europe were already using soft coke for locomotives, and the use of a blend of 80 per cent. coke and 20 per cent. coal was not unusual? Are these statements substantially correct?

(d) What practical action has been taken by Railways during the last twenty years for the purpose of assisting in the conservation of higher grade coal in the country?

The Honourable Sir Edward Benthall: (a) Railways have special Branches whose responsibility it is to ensure economy in the consumption of fuel in the various Departments. Investigations are constantly in progress to determine the success of the measures taken and the possibility of further steps to secure reduced fuel consumption.

(b) The percentages of the different grades of coal purchased by State Railways during the last 3 years have been:

	Selected and 1st grade.	2nd grade.
1941-42	66.86	33.14
1942-43	46.80	53.20
1943-44	39.52	60.48

(c) I have so far been unable to obtain a copy of the papers referred to by the Honourable Member but hope shortly to do so. I am unable to comment upon the accuracy of the statements in question.

(d) The Railway Department arranged in 1924 for the preparation of locomotive designs to incorporate the features necessary to enable low grade coal to be burned. All new types of locomotives put into service since 1927 have included these features.

WANT OF LIGHTS ON BENGAL AND ASSAM RAILWAY TRAINS.

306. *Mr. Ananga Mohan Dam: Will the Honourable the Railway Member please state:

(a) if he is aware that Assam and Bengal Zones of the Bengal and Assam Railway are running trains without any light;

(b) if he realises the difficulties and troubles of the travelling public for want of light, and that travellers not only lose and miss their articles but get injured;

(c) the reason for keeping all the compartments dark; and

(d) what Government propose to do to remove this disadvantage?

The Honourable Sir Edward Benthall: (a) Government have received reports that due to lack of bulbs it has been impossible to provide lighting on some trains of the B. & A. Railway.

(b) The difficulties experienced by the public on this account are fully appreciated.

(c) Shortage of train lighting bulbs due to a serious increase in the losses by thefts and to unavoidable delays in obtaining fresh supplies.

(d) Efforts are being made to speed up deliveries from indigenous sources and to expedite supplies by importation to supplement indigenous supplies.

Mr. Ananga Mohan Dam: May I enquire whether there will be complete darkness in the trains as long as supplies are not forthcoming?

The Honourable Sir Edward Benthall: So long as there is a scarcity of bulbs it is impossible to put them in the carriages, but, as I have stated, we are making every possible effort to expedite the very large arrears of indents for railway requirements both from overseas and also from indigenous production. In the case of indigenous production there has been a shortage of certain raw materials, but I am informed that these are now coming to hand. We are hoping to receive in February 38,000 new lights and about 50,000 a month thereafter.

Mr. T. T. Krishnamachari: Is it not possible for the railways to investigate the possibility of using the ordinary oil lamps in place of electric lights?

The Honourable Sir Edward Benthall: I think the correct attitude is to try and expedite delivery of those electric lights which have been delayed in delivery.

Mr. Ananga Mohan Dam: Will Government consider the possibility of supplying oil lamps in female compartments at least?

The Honourable Sir Edward Benthall: I will consider that but . . .

Mr. E. L. C. Gwilt: Is there any reason why oil lamps will not be equally stolen?

The Honourable Sir Edward Benthall: It is a very pertinent remark. The probability is that oil lamps will be stolen even more than electric bulbs.

Mr. Frank R. Anthony: May I ask if there is a shortage of headlight bulbs?

The Honourable Sir Edward Benthall: There has been, but steps have been taken as regards this also.

Mr. Frank R. Anthony: Have the rules been relaxed as to the use of headlight bulbs?

The Honourable Sir Edward Benthall: I should require notice of that.

IMPORT OF FARM MACHINERY FROM AMERICA.

307. **Mr. T. T. Krishnamachari:** Will the Honourable the Supply Member please state:

(a) whether his attention has been drawn to a reference regarding export to India of \$1,250,000 worth of farm machinery in the Thirteenth Report of the President to the United States Congress on Lease-Lend Operations for the period ending with 30th November, 1943; and

(b) if it is a fact that this quantity of farm machinery has been imported into India; if so: (i) what the nature of the machinery was; and (ii) how it has been distributed?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes.

(b) Total value of agricultural machinery received up to end of October 1943 \$1,107,000.

(i) Tractors, Scrapers, Ploughs, Rooters, Milk Cans, Hay Balers and Pressers, Pasteurizers, Harrows, Drills, Cultivators, Trailers, etc.

(ii) Machinery worth \$1,042,000 has been distributed to Military centres like Government dairy farms and the balance worth \$65,000 will be distributed to essential users through stockist agents.

INADEQUATE COAL SUPPLY TO INDUSTRIES UNCONNECTED WITH WAR.

308. **Mr. K. S. Gupta:** Will the Honourable Member for War Transport please state:

(a) the indigenous industries unconnected with the war already affected for want of adequate supply of coal;

(b) the total output of coal in India from 1940 to 1943 (both years inclusive);

(c) the total export of coal from India to other countries during the years 1940 to 1943 (both years inclusive);

(d) the estimate of export of coal during the year 1944; and

(e) if it is a fact that train service for civilian all over India will have to be cut short for want of necessary output of coal in India?

The Honourable Sir Edward Benthall: (a) Almost all industries in the country whether connected with the war or not have been affected to varying extents by coal shortage during recent months.

(b) The total output of coal in India from 1940 to 1942 (both years inclusive) was 88,057,200 tons. It is not in the public interest to publish figures for 1943 at present.

(c) 4,485,050 tons.

(d) No estimate of coal exports during 1944 has been framed. Coal allocations are reviewed by the war Resources Committee of Council every month, and during January and February the only export allowed has been 30,000 tons monthly for Ceylon. If the target of the rationing scheme is achieved, it is intended to allot such quantities for export to the Middle East as may be feasible after meeting India's essential requirements.

(e) It is not expected that the train services for civilians will have to be further curtailed owing to coal shortage.

UNSTARRED QUESTIONS AND ANSWERS.

LATE ATTENDANCE OF OFFICERS IN RAILWAY CLEARING ACCOUNTS OFFICE.

91. **Mr. Ananga Mohan Dam:** Will the Honourable the Railway Member please state whether the officers in the Railway Clearing Accounts Office are exempt from attending office at the usual time of opening?

The Honourable Sir Edward Benthall: No.

DEFICIENCY OF TYPEWRITERS IN RAILWAY CLEARING ACCOUNTS OFFICE.

92. **Mr. Ananga Mohan Dam:** (a) Is the Honourable the Railway Member aware that a number of typewriters of the Railway Clearing Accounts Office, were burnt in August, 1942, and the full number required has not yet been replaced?

(b) Is a typist in the Railway Clearing Accounts Office given some special pay for working as stenographer with the Deputy Director in addition to his duties of a typist?

The Honourable Sir Edward Benthall: (a) Yes. Out of 19 typewriters 4 were burnt in the fire of August 1942, of which 2 have been replaced.

(b) Yes. He is given Rs. 30 p. m. as special pay for working as a stenographer with the Deputy Director in addition to his pay as a typist.

COMPENSATORY CASUAL LEAVE IN RAILWAY CLEARING ACCOUNTS OFFICE.

93. **Mr. Ananga Mohan Dam:** (a) Is the Honourable the Railway Member aware that the staff in the Railway Clearing Accounts Office have occasionally to attend on Gazetted holidays and Sundays, in lieu of which compensatory casual leave is required to be given?

(b) Is it a fact that the Director, Railway Clearing Accounts Office, has ordered that the compensatory casual leave can be availed of within 21 days only, and that it could not be combined with other leave even though the Gazetted holidays or Sundays in lieu of which it was granted could be combined with other leave under the rules?

The Honourable Sir Edward Benthall: (a) Yes.

(b) Compensatory casual leave is treated like other casual leave for purposes of combination with other leave or holidays. To avoid staff being called upon to work on more than three successive Sundays and to go without rest beyond 21 days, it has been laid down that compensatory casual leave should normally be granted to the staff within 21 days.

TONGA CHARGES FOR LATE WORK TO RAILWAY CLEARING ACCOUNTS OFFICE STAFF.

94. **Mr. Ananga Mohan Dam:** (a) Will the Honourable Member for Railways please state if it is a fact that the staff in the Railway Clearing Accounts Office and other Government of India Offices get tonga charges if they have to work late hours in the evening?

(b) Is it also a fact that the staff in the Railway Clearing Accounts Office have similarly to work late hours in the evening and their main offices are also situated away from city where cheap conveyance is not available?

(c) If the replies to (a) and (b) above be in the affirmative, do Government propose to consider the desirability of granting the same concessions to the staff of the Railway Clearing Accounts Office?

The Honourable Sir Edward Benthall: (a) Under certain circumstances the staff in the office of the Railway Board are entitled to conveyance hire if they remain in office after 7 p. m.

(b) Yes; occasionally when the requirements of work make it necessary.

(c) The matter is under consideration.

GRIEVANCES OF RAILWAY CLEARING ACCOUNTS OFFICE STAFF.

95. Mr. Ananga Mohan Dam: (a) Will the Honourable the Railway Member please state if the General Section, Railway Clearing Accounts Office, is under the charge of the Deputy Director except for purely routine papers?

(b) Is it a fact that requisitions of the various sections for stationery, tools and plants, accommodation, for extra staff, Tariffs and other publications, timely supply of charcoal and *angithies* during winter and *chas ki tatties* during summer are not met expeditiously?

(c) Are Government aware that charcoal supplied to the staff in these days of severe cold does not last for more than an hour or so, nor has adequate number of *angithies* been provided?

(d) Do Government propose to make a thorough enquiry into the matter, obtaining statements of the subordinate and supervisory staff regarding their grievances and take early steps to redress them?

The Honourable Sir Edward Benthall: (a) The Deputy Director is in charge of the General Section, routine matters being dealt with by an Assistant Accounts Officer.

(b) No. All legitimate demands are met as expeditiously as possible under the present conditions of supply from the market and the Controller of Stationery, Calcutta.

(c) No. Charcoal was issued at the same scale as last year and there is no reason to think that the scale is inadequate. The number of *angithies* was increased with due regard to increased requirements of the staff.

(d) The question does not arise.

PROMOTION TO LOCO, FOREMAN GRADE ON NORTH WESTERN RAILWAY.

96. Mr. Ananga Mohan Dam: (a) Will the Honourable Member for Railways please state how promotion to the grade of Loco. Foremen (425—25—475) is made on the North Western Railway sheds from amongst (i) the Shed Fitter Chargemen, and (ii) Drivers, Grade III and IV, and (iii) Shedmen Grade III and IV?

(b) If the percentage of promotions to Loco. Foremen's posts from the three classes noted above differ, will the Honourable Member please state the difference in treatment?

(c) Is it a fact that for the last six years Shed Fitter Chargemen are being promoted in greater proportion than Drivers and Shedmen, although the Chargemen are negligible as compared with Drivers and Shedmen?

The Honourable Sir Edward Benthall: (a) The posts of Loco. Foremen (Rs. 425—25—475) are filled by the promotion of Shed Fitter Chargemen who have passed P.6 Course at the Walton Training School. If such staff are not available Drivers Grades III and IV and Shedmen Grades III and IV who have passed the P-6 Course are considered for promotion as Loco. Foremen.

(b) Fitter Chargemen are, in the opinion of the Railway, best suited for promotions to Loco. Foremen and, therefore, there is no question of preferential treatment.

(c) Out of 19 permanent promotions made since 1938, 10 were Fitter Chargemen and 9 were Drivers.

STATEMENT OF BUSINESS.

The Honourable Sir Sultan Ahmed (Leader of the House): Sir, I have to inform the House that in conformity with the arrangements agreed to on Wednesday last, His Excellency the Governor General has been pleased to allot Tuesday next, the 7th March, as an additional day for the general discussion of the Budget and Thursday, the 16th March, as an additional day for the voting of Demands for Grants.

THE CENTRAL EXCISE RULES.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I lay on the table a copy of the Central Excise Rules,* 1944.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR ROADS.

Sir Gurnath Bewoor (Secretary, Posts and Air Department): Sir, I move: "That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six members to serve on the Standing Committee for Roads which will be constituted to advise the Governor General in Council in the administration of the Central Road Fund during the financial year 1944-45."

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six members to serve on the Standing Committee for Roads which will be constituted to advise the Governor General in Council in the administration of the Central Road Fund during the financial year 1944-45."

The motion was adopted.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE POSTS AND AIR DEPARTMENT.

Sir Gurnath Bewoor (Secretary, Posts and Air Department): Sir, I move: "That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, three non-official members to serve on a Standing Committee to advise on subjects other than 'Roads', dealt with in the Department of Posts and Air, during the year 1944-45."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, three non-official members to serve on a Standing Committee to advise on subjects other than 'Roads', dealt with in the Department of Posts and Air, during the year 1944-45."

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): This is a committee which ordinarily meets during the Session. We do not find fault with the Department for holding the meetings during the Session but certainly the procedure in regard to taking sanction for the introduction of a Bill or certain other things is objectionable. I happened to notice that an amending Bill for the Aircraft Act, 1934, was introduced this time. When it was introduced, the advice of the committee was not taken but when it was to be placed before this House for consideration and passing, then it was placed before the committee and the committee was asked to give its advice. What useful purpose can be served by putting this Bill before the committee at such a late stage, when the Government wants the Bill to be passed. In my view, such a thing is objectionable and should be put an end to. If the committee's advice is at all necessary, then it should be taken before a Bill is placed before the House. With these remarks, I resume my seat.

Sir Gurnath Bewoor: The Honourable Member has objected to our placing before the committee a Bill which has already been introduced. I fully sympathise with his objection and we would try in future to place such

*Not included in these Debates; but a copy has been placed in the Library of the House.—Ed. of D.

[Sir Gurunath Bewoor.]

Bills before the committee if possible before they are introduced. It so happened that both on the last occasion in connection with the Savings Bank Amendment Bill and this time in connection with the Aircraft Amendment Bill, we did not have much time but I have noted what the Honourable Member has said.

An Honourable Member: How many times did this committee meet last year?

Sir Gurunath Bewoor: Three times, in August, November and February during current financial year.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, three non-official members to serve on a Standing Committee to advise on subjects other than 'Roads' dealt with in the Department of Posts and Air, during the year 1944-45."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform Honourable Members that for the purpose of election of Members for the Standing Committee for Roads and the Standing Committee for the Department of Posts and Air the Notice Office will be open to receive nominations up to 12 O'Clock on Monday, the 6th March and that the elections, if necessary, will take place on Tuesday, the 14th March, 1944. The elections which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote will be held in the Assistant Secretary's Room in the Council House, New Delhi, between the hours of 10-30 A.M. and 1 P.M.

THE FACTORIES (AMENDMENT) BILL.

The Honourable Dr. B. R. Ambedkar (Labour Member): Sir, I move for leave to introduce a Bill further to amend the Factories Act, 1934.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That leave be granted to introduce a Bill further to amend the Factories Act, 1934."

The motion was adopted.

The Honourable Dr. B. R. Ambedkar: Sir, I introduce the Bill.

THE PROTECTIVE DUTIES CONTINUATION BILL.

The Honourable Sir M. Azizul Huque (Commerce Member): Sir, I move for leave to introduce a Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That leave be granted to introduce a Bill to extend the date up to which certain duties characterised as protective in the First Schedule to the Indian Tariff Act, 1934, shall have effect."

The motion was adopted.

The Honourable Sir M. Azizul Huque: Sir, I introduce the Bill.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move: "That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of Syed Ghulam Bhik Nairang, Mr. Muhammad Nauman, Babu Baijnath Bajoria, Mr. T. T. Krishnamachari, Sir Henry Richardson, Mr. T. Chapman-Mortimer, Mr. Abdur Rasheed Choudhury, Sir Vithal N. Chandavarkar, Khan Bahadur Sheikh Habibur-Rahman, Sir John Sheehy, Mr. C. W. Ayers and the Mover with instructions to report not later than Monday, the 20th March, 1944, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The main object of this Bill is to make provision for carrying out the scheme which I mentioned in my Budget speech for advance tax payments on income which is not now liable to deduction of tax at source.

Before I deal with that scheme, I would like to say a few words about the other provisions of the Bill. I will take clause 2 first. The Income-tax Amendment Act of 1939 enacted in Explanation II to sub-section (1) of section 7 that payments from provident funds not recognised under the Income-tax Act should be taxed and as it was assumed that such payments will be made only at the termination of the employment, the liability was confined to payments made at that time. It has since been found, however, that payments from unrecognised provident funds are escaping taxation because they are made during the course of the employee's service

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): What is meant here by unrecognised provident fund?

The Honourable Sir Jeremy Raisman: I am afraid I must ask the Honourable Member to study that separately. I could not reply to him offhand, but there are various sections in the Income-tax Act providing for the recognition of certain provident funds in certain conditions, and funds which are recognised in accordance with those conditions are qualified for certain benefits. There is a special chapter in the Act dealing with that.

As I was saying, it has since been found that payments from unrecognised provident funds are escaping taxation because they are made during the course of the employee's service. Clause 2, therefore, proposes to amend the explanation by deleting the reference to the termination of the employment and so making all payments from unrecognised provident funds taxable, unless they are made solely as compensation for loss of employment and not by way of remuneration for past services.

Clause 3 of the Bill amends section 14 (1) of the Act, which exempts any sum which an assessee receives as member of an undivided Hindu family. This exemption was designed to avoid double taxation and it is based on the assumption that any such sum would be taxable in the hands of the family. It has been found, however, in practice that in some cases income which is not taxable in the hands of the family is exempt by virtue of this provision in the hands of the member receiving it, and so escapes taxation altogether. Clause 3 seeks to close this loophole.

Clause 4 proposes to amend section 15 (1) of the Act which gives exemption in the case of life insurance premium. The object of this exemption of course is to encourage assesseees to make reasonable provision for the future. In practice, however, it has been found that in many cases it is being used for the purpose of tax evasion. A typical device is a one-year endowment policy which is nothing but a short term deposit with the insurance company, the amount deposited being termed premium so as to get the benefit of the exemption. The amount when received back from the company may be utilised year after year for securing the same benefit. It is proposed, therefore, to adopt the United Kingdom provision by which the exemption is limited to 7 per cent. of the capital sum assured.

Before coming to clause 5 the only other clauses which I need mention at this stage are clauses 9, 10 and 14. Clauses 9 and 10 extend the right of appeal to cases where registration of a firm is refused or cancelled under section 23 (4), and to cases where an assessee denies his liability to deduct tax from payments to non-residents. Clause 14 makes three changes in the provisions for the computation of the profits of life insurance business. Sub-clause (a) proposes an increase in the amounts allowable for management expenses; sub-clause (b) clarifies the position as regards tax-free securities which, as in the case of other businesses, should be free of income-tax only but not super-tax; and sub-clause (c) clarifies the position as regards the exclusion from gross external incomings of profits on the realisation of assets other than securities.

That is all I need to say at present on the other clauses of the Bill. I now come to clause 5 which is the main feature of the Bill. The scheme set forth in it is designed to put income-tax and super-tax payments as nearly as possible on a pay-as-you-earn basis. It is a basis with which, of course, any taxpayer who derives income from salaries or interest on securities has long been familiar, as in the case of income from these sources the matter is simple; the

[Sir Jeremy Raisman.]

tax is deducted at the time payment is made. It is not so simple, however, in the case of other incomes, the amount of which cannot be correctly ascertained until the end of the accounting year. The scheme under the Bill proposes to get over this difficulty by giving the assessee two options. He may elect to pay the tax in four quarterly instalments of the amount demanded by the income-tax officer on the basis of his last assessment. If he complies with this demand, he is saved all further trouble. He will not be subject to any penalty, even though his current earnings may be far in excess of the figure on the basis of which the income-tax officer has asked him to make advance payments of tax; and here I would like to make it quite clear that the payments of tax which assesseees will be required to pay in 1944-45 under the scheme are not payments in respect of 1944-45 assessment, but payments in respect of the 1945-46 assessment. Now, if the assessee thinks that the income-tax officer's demand is excessive, having regard to his current earnings, he is at liberty to make his own estimate and pay tax accordingly; but if the payments are less than 80 per cent. of the tax determined by regular assessment or if he pays too little in the first three instalments, he will have to pay penal interest at 6 per cent. on it.

Furthermore, he may be penalised under section 28 if he makes estimates which he knows to be untrue, or if he fails to furnish estimates in cases where the income-tax officer has not sent him a demand notice. There are two classes of cases where the ordinary provisions of the scheme could cause hardship. One is the case of income from commission, which is payable periodically and is not received or adjusted before the dates fixed for the instalments. In such a case, it is provided that payment may be deferred till after the commission is received or adjusted. The other case relates to the difficulty which an assessee would find in estimating his profits in the early months of his accounting period. It is, therefore, provided that penal interest will not begin to run until six months and fifteen days have elapsed from the beginning of his accounting period. That is a very important proviso; it means that nobody can incur any penalty if he waits until six months of his accounting period have elapsed, before he makes his firm estimate of the basis on which he will choose to pay his instalments. Any guess that he makes before the expiry of six months may serve as a basis for an instalment, but he can suffer no harm provided he does, at the expiry of that six months' period, proceed to make his own estimate. Finally, Government undertakes to pay simple interest at 2 per cent. per annum on all the advance payments paid under the scheme.

Now, Sir, these are the main provisions of the Bill. The object of the principal feature is, as I have explained in my Budget speech, to provide for a further immobilisation of the excess purchasing power in addition to the amounts absorbed by the process of voluntary loan. It is an important part of the Government plan to counter inflation, to check any further price rise and generally to stabilise the economic conditions.

I have only one thing more to say. In drawing up this Bill, we have endeavoured to meet all contingencies, but we realise that there may be points in respect of which the measure may be susceptible of improvement without forfeiting the essential principle of the Bill. We are, therefore, moving for reference to Select Committee, where we hope that we shall be able to explain the scheme in full detail and shall be able to hear and consider any suggestion which may be made for its improvement. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of Syed Ghulam Bhik Nairang, Mr. Muhammad Nauman, Babu Baijnath Bajoria, Mr. T. T. Krishnamachari, Sir Henry Richardson, Mr. T. Chapman-Mortimer, Mr. Abdur Rasheed Choudhury, Sir Vithal N. Chandavarkar, Khan Bahadur Sheikh Habibur-Rahman, Sir John Sheehy, Mr. C. W. Ayers and the Mover with instructions to report not later than Monday, the 20th March, 1944, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, I do not wish to make any speech just now, but I wish to ask a few questions for the purpose of clarification.

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member wishes to make a speech later on, he cannot do it.

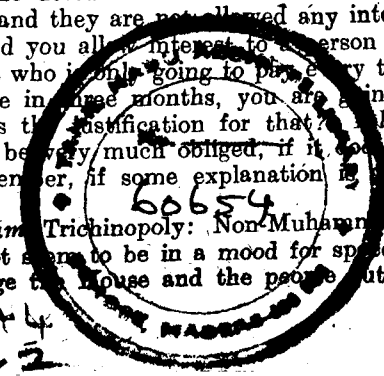
Dr. P. N. Banerjee: No, Sir. I will only ask certain questions. In clause 3, is any new departure sought to be made from the existing principles with regard to joint families? In clause 5, is it possible for an assessee to make advance payments without a demand from the Income-tax Officer being made? With regard to the question of 6½ months basis, after 6½ months an assessee will be called upon to make advance payments, some time will be taken to calculate the basis. If it is found that the assessee's calculation has been falsified through no fault of his own, will the penal interest be still imposed? These are the three questions on which I wish to have answers.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, one thing that I gathered from the speech of the Honourable the Finance Member was that the effect will be in the current year for every assessee to make two payments, that is one payment he has to make for his income of 1943-44, then another payment he will have to make for 1944-45 in advance, and then again he says what we are asking is for 1945-46. I cannot understand that if that is the idea, that three payments have to be made. Or, if the idea is to demand two payments in this year, that is, the assessee has to make two payments of their income-tax and super-tax and everything. I want to know what kind of facility will be given for the payment of this. Is it only what the Honourable Member has just described? Anybody can make payment in four instalments or make a lump sum payment with an interest of two per cent. Will that be a sufficient inducement for any businessman who has to make large payments to have his capital locked up a year in advance and get only two per cent. from the Honourable the Finance Member? All these things are very puzzling. They have to be clarified in greater detail so that the House may understand how it benefits the people and how the Honourable Member proposes to stop inflation by putting up a scheme which may be worked. We also want to know how he expects the scheme to be workable and how it offers an inducement to people whom he wants to lay his hands upon. Will not the payment for two years in one year and that too in advance be supposed to be very excessive by the people concerned? These are some of the points which I want to be clarified at present. I do not want to go into details of the Bill. There will be other opportunities for me to scrutinise when the Bill comes out of the Select Committee.

Sir Henry Richardson (Nominated Non-Official): Sir, I do not wish at this juncture to go deeply into any questions on this Bill, but there is just one point which I would have liked the Honourable the Finance Member to have explained. I do not want to embarrass him, and I do not ask for an explanation, if at this stage he is unable to give it. But we feel we would like to know what is the justification underlying clause 5, sub-section (5) wherein the Government say they will pay on any amount paid under this section simple interest at two per cent. per annum from the date of payment to the date of assessment. Now, Sir, as the Honourable the Finance Member has explained, this is going to be allowed to persons whose tax is not deducted at source. There are many people whose tax is deducted every month and they are not allowed any interest on these payments. Why, therefore, should you allow interest to a person who does not have it deducted every month, but who is only going to pay every three months, and to encourage him to pay once in three months, you are going to give him two per cent. to do it. What is the justification for that? I have been unable to understand that and I will be very much obliged, if it does not embarrass the Honourable the Finance Member, if some explanation is given on that point.

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadan Rural): Mr. President, the House does not seem to be in a mood for speeches on this Bill, but I do feel that at this stage the House and the people outside

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[Mr. T. T. Krishnamachari.]

must know something more about the Bill than what they do at present as otherwise, an inept Select Committee will not be able to achieve very much. Sir, I have not been convinced by the introductory speech of the Honourable the Finance Member of the need for provisions 2, 3, 4 and 5 in their present form. It may be that amendments 2 and 3 are in themselves unimportant and the implications that have been raised can be considered in the Select Committee, but amendments 4 and 5 happen to be rather important amendments to the Act.

I shall deal with clause 4 which is an amendment to section 15. The Finance Member told us why Government have considered it necessary to bring in this amendment. We are in full sympathy with Government in any attempt that they make to counter the efforts of tax-dodgers. I think all respectable insurance companies will come forward and support the Honourable the Finance Member in the matter of these schemes of single-payment policies of the duration of one year and perhaps two or three, as the case may be, which are being taken up by people merely to get some benefit by way of tax relief. But the remedy that has been suggested does not seem at all to fit in with the evil which is now apparent, nor does the question of a similar provision existing in the United Kingdom any argument that it ought to be imported into India at this stage. It may be that my reading of this clause is not correct, but as I read it today and as I have not been benefited by further clarification of the position by the Honourable the Mover, I think it seeks to put the lid on any incentive that people might have to insure for short terms. The question of devising ways and means by which you can deal with these tax-dodgers is one thing; the other thing is not to impose blanket control which will wholly prevent short-term policies being taken up. Nor is there anything inherently evil in a person paying a single premium and getting the benefit about ten years hence or at death as the case may be. It may be that a middle class person who has no provision for a pension wants to provide some kind of income for himself when he chooses to retire, and every year he might pay 1,500 or 1,600 rupees, as the case may be, and seek to obtain the benefit 10 or 12 years thereafter; and he might go on building up reserves for himself to serve him at a time when he would not be earning. That is one type of cases which would not be covered by this amendment. Even as it is, if it is a question of restricting the tax benefit to insurance premia amounts which are not above seven per cent of the capital sum assured, then on a rough calculation all policies which are of a lesser duration than 13 years would not get the full benefit, so far as insurance premia are concerned. It may be that the Honourable Member will be in a mood to consider amendments in the Select Committee, but I do think that the House should know exactly where they stand and the public outside should know where they stand, in order that the members of the Select Committee might be educated into the facts of the situation to help them to evolve a suitable amendment.

But I think the crux of the problem is really in clause 5. I have read the Honourable Member's speech while introducing the estimates for the incoming year to see if there is any justification for this new proposal. Imitation, they say, is the best form of flattery. If we introduce proposals in this country similar to what obtains in an enlightened country like the U. S. A., we perhaps want to approximate our tax methods alongside those of U. S. A. We have heard very much about "Pay-as-you-earn" taxation in America. But what is the justification for this new method of tax collection? Is it anti-inflationary or is it an attempt to bridge the ways and means position of the Government of India? In that case the balance of advantages must be considered. This new method of collection is going to cause more hardship, more administrative difficulties, more administrative charges, and greater inconvenience to assesses. And the quantum of satisfaction that Government might get either by way of checking inflation or by way of getting a regular flow of money will not fully compensate for all these hardships that the people will have to undergo. I think the proposal ought, therefore, to be dropped.

I can only find one sentence in the Finance Member's budget speech relating to this particular measure. He says.

"In the second place, we must step up in every way the rate of rupee incomes until it equals the rate of rupee outgoings."

It may be that my reading of the speech is not adequate and my understanding is not equal to the problems that are outlined therein. But that, I think, is the only reference and perhaps the only justification for this particular clause. And what is the total extra-yield by way of all these provisions? In this amending Bill that is visualised as 8½ crores. The Honourable Member himself has said that the gap is in the order of 250 crores. It may be that many a mickle makes a muckle. Still I think this class of assesses need not be singled out for special treatment, without any specific reasons, without telling us exactly how it is going to be anti-inflationary and to what extent. Sir, as I said, I dismiss the possible plea of the income which is derived from this class of assesses as seeking to bridge the ways and means position. If it does this offer of 2 per cent. interest is something extravagant, as my Honourable friend the Leader of the European Group put it. The treasury bill rate at which Government are able to borrow is somewhere in the region of 12 to 13 annas per cent.; and I think Government are in an extremely charitable mood when they offer 2 per cent. to people who are willing to pay in advance the income-tax due from them. Therefore, I must consider that this is intended as an anti-inflationary effort. I have read such literature as is available in this country on the subject of combating inflation by taxation, considering the restrictions that have been put on the import of books, since import of books does not seem to be covered by the gamut of anti-inflationary activities of the Government of India. Mr. Hicks, a well-known authority on war taxation, dismisses as just an empty gesture this question of taking away money in the shape of small taxes from people, and he stresses more the question of E. P. T. and other types of taxation. I do not really know how this proposal is going to help the anti-inflationary efforts of Government.

With regard to the operation of the provisions themselves I think this House and the public have to consider them at length even at this stage. A very pertinent point was raised by my Honourable friend Sir Yamin Khan, though it might appear that there is a little confusion in the way he put his question. What now happens is that such persons pay tax on the basis of their income earned between 1943-44 for tax due for the year 1944-45. The assessment is always for the year 1944-45. No matter on what it is calculated for persons whose tax is not deducted at source in 1943-44. But the very pertinent point that is raised was this. Are you not going to ask one class of taxpayers all of a sudden to shoulder the burden of payment of tax of two years? That suggested itself to me and suggested itself to a number of other people. It may be that they have to pay tax due for 1944-45 on the basis of their income for 1943-44 and thereafter pay quarterly instalments of tax due for 1945-46. It depends on who is asked to pay. If the whole range of people that have to pay are very rich people it

12 Noon. does not matter very much to them—but it is the middle class man with small resources who would have to borrow to pay the tax for two years in the course of one year. Probably borrowing may also be an anti-inflationary effort—and that perhaps is the idea of the Government of India—you are asking the small man to tie up his capital, to tie up his available resources and tie up his credit in order to pay the tax. Supposing the amount is a large one, it will become difficult for the middleman to pay unless he resorts to borrowing; if the middle class merchant has to pay, say a tax of Rs. 8,000, normally, it will be very great strain to him to pay Rs. 16,000 in one year.

Secondly, the point really is the method of payment and the method of assessment. The Honourable the Finance Member has been very charitable indeed to say that if a man fails to pay less than 80 per cent. of what he is assessed ultimately, than the penal provisions will operate.

Sir F. E. James (Madras, European): What about the two per cent. rebate?

Mr. T. T. Krishnamachari: Oh! what a magnificent gift! We often pay two per cent. by way of ordinary demurrage charges.

Sir F. E. James: More than that.

Mr. T. T. Krishnamachari: In regard to this question of 80 per cent., who is to be the judge? My account is audited by an auditor, I send it to the Income-tax Officer, and it depends upon the Income-tax Officer's fancy to accept it or not. It may be that for ten, twelve or fifteen years my record is a perfect one but there are always certain items which can be questioned. I will mention one very common item—bad debts. The question of bad debts is always a tug of war between the assessee and the Income-tax Officer. The Income-tax Officer may say that the period of limitation is over, or that the assessee had not made all efforts to recover monies, and so cannot include it in that year's account. The assessee might say that it is a very legitimate bad debt and therefore he had included it, and it may make a very big difference in the quantum of assessment. Or, it may be that I might get a certain income which to my mind, or in the opinion of my auditor is an amount which is not taxable, but the Income-tax Officer may not take the same view, and he might include it in the assessable figure. That might make a very big difference; it might make such a big difference in the total amount assessable that even penal provisions of section 28 might be brought into operation. Sir, it cannot be said that the department is manned by angels; the Government of India is not manned by angels. There is always trouble even in the case of an account which is legitimate and audited, and what about the accounts that are not audited. If you really want this to be an anti-inflationary move, one, very essential provision is needed. By all means mop up the large amounts, by all means put a limit, say this provision will operate in the case of assessee whose assessable income is twenty thousand or twenty-five thousand, as you think fit. But if you are asking small traders and businessmen to fit into this scheme, you are merely making their pilgrimage to the Income-tax offices a more regular feature than what it is today. It has got to be a daily feature instead of being an annual affair. We know exactly what is happening now. Most of the businessmen spend their time in walking round the corridors of the Government offices, what with these Anti-Hoarding Ordinance, what with these various Control Measures, people have to be visiting Government offices in one connection or the other. Unless you do, you can never get things done. And in no other place it is more illustrative than in Delhi where for the smallest matter, a matter which is probably of no account, a matter which the law perhaps does not contemplate bringing within its scope, even for that you have got to come to explain to an officer and the officer is always busy and he will probably ask you to come some time hence. As some one has pertinently suggested, the overcrowding in Delhi is because of the various Ordinances which draw a number of people to Delhi. If this is what happens in the Imperial Secretariat full of picked civil servants, what is going to happen in so far as the Income-tax Department is concerned.

Then, Sir, this question of penalty. My Honourable friend, Sir Henry Richardson, accustomed as he is to dealing in lakhs and lakhs and lakhs, speaks about the 2 per cent. (Interruption.) At any rate, the European in India who does not think in hundreds, can speak about this two per cent.; why give away to Indian people two per cent. when we can mop it up and use it for war budget. This 2 per cent. is an uncalled for gift to the people of India, which the Honourable the Finance Member, out of love and affection, is giving away. I agree. I agree that 2 per cent. need not be given. But you take whatever you are giving. If you are giving 2 per cent. you say that a man who misbehaves shall not get the gift. It is not a question of helping you to get more money by offering this inducement. The penalty that you impose on him if he does not behave, ought to be to take the 2 per cent. away. But I can quite imagine that the Government of India might have even thought of 12 per cent. and perhaps even more as penalty and ultimately decided not to charge an usurious rate of interest as perhaps 6 per cent. was in their view a

moderate penalty. But it is a wrong way of approach altogether. You have to educate people into paying tax in a new way and for educating them starting with a penalty is hardly the proper method. A good educative effort indeed for a start. The imposition of the penalty is purely dependent on the whim and fancy of the Income-tax Officer concerned. It is an impossible position. I challenge any ordinary businessman who gets his accounts audited, if, in seven out of ten cases he will have paid more than 80 per cent. of the total assessable income and there will not be items constituting more than the balance of 20 per cent. which the Income-tax Officer will not finally disallow. All these problems will probably be discussed in the Select Committee. But what good can the Select Committee do in themselves. Government will trot out an explanation for everything. Individual members will explain and put forward problems based on their own experiences, but how can we visualize the difficulties of thousands of people who are going to be put to harassment as a result of this amendment. It might be that more publicity should be given. No taxation Bill gets more publicity than what has been given to this. Sir, I suggest that Members of this House may help the Select Committee with their views on this important problem supported by facts that they may know of and the Government should appreciate.

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member is included in the Select Committee.

Mr. T. T. Krishnamachari: I am not speaking for myself. I have said that my knowledge is very circumscribed indeed, probably limited to my own experience of income-tax which has not been very happy. But I do think the public will have to take a greater interest in this Bill. Otherwise it will just energe from the Select Committee as it is perhaps with a few modifications. I think the onus lies on the Government to get more information how it could possibly work.

I am not able to commend the Government for having adopted this novel and latest method of taxation and bringing this country on a par with the most enlightened countries in the world. If it is possible for this provision to be left out of this Bill I have no doubt that the Government will be as well off as they were. What with the state of things as they are today, when the Government can rake in as much money as they want, this particular method of tax collection is not going to greatly help to check inflation. After all we are getting out of the skid of inflation into which the Government got themselves entangled. I think the Government would do well to drop the whole idea of penalising the small taxpayer and at least putting a limit to the operation of this clause so as to leave out assessee whose incomes are below twenty to twenty-five thousand. That is all I have to say at the moment.

The Honourable Sir Jeremy Raisman: I will reply first to Dr. Banerjee's three points. The first related to Clause 3 and I think he asked whether any departure was sought to be made from the existing principle. The answer to that is definitely in the negative. There is no departure and no change is made other than that which I described, which is of a very circumscribed nature and it is intended to prevent sums escaping taxation altogether by virtue of a provision which was meant to save them from double taxation.

His next question was whether in relation to Clause 5 an assessee can make advance payment without a demand from the Income-tax Officer. The answer to that is that certainly he can, and to the extent that he does that he simplifies his own problems and facilitates ours.

His third question was that if the assessee's estimate was falsified through no fault of his own would penal interest be payable. Well, the answer is yes. He has certain opportunities to amend his estimates but if in the end his estimate is still so inaccurate as not to amount to 80 per cent. of the income then penal interest is payable. Of course he always had the option of not giving himself any trouble to make estimates by merely repeating the figure of the last assessment. If he did that then no question arises for him. He gets 2 per cent. on his money even if the amount turns out to be somewhat larger than it need have been. He gets a fair one year's interest of 2 per cent. That

[Sir Jeremy Raisman.]

is quite a fair rate and one of the objects of the 2 per cent. is to encourage people merely to repeat the last figure of which they have definite knowledge and save everybody trouble as well as themselves.

Sir Muhammad Yamin Khan: The bank rate is 3 per cent.

The Honourable Sir Jeremy Raisman: It is not three per cent. for all purposes. I am afraid there is a good deal of vagueness about these percentages. I am surprised that my Honourable friend, Mr. Krishnamachari, who is, if I may say so, a competent observer of these matters should talk about the Treasury Bill rate in relation to a period which may be at least four times the Treasury Bill period. That relates to borrowings for three months. It is true that it is below one per cent., but it does not follow from that that the appropriate rate at which money may be borrowed for 12 to 15 months is the same. In fact the converse is true. The rate for three months cannot be the same as the rate for twelve.

My Honourable friend Sir Henry Richardson asks why we offer to pay 2 per cent. per annum at all? That I admit has been one of the most difficult questions put to me and I must confess that in the first form of this Bill there was no such provision, but there are two arguments which I can give in favour of it. The first is that penal interest of six per cent. is not very deterrent and the effect of giving 2 per cent. to those who pay their instalments duly is in effect to increase the penalty to 8 per cent.

The second reason is

Sir F. E. James: Not really!

The Honourable Sir Jeremy Raisman: Yes, the difference between paying and not paying.

Mr. T. T. Krishnamachari: The obvious thing is to increase the rate to 4 per cent. and decrease the penalty to 4 per cent.

The Honourable Sir Jeremy Raisman: That is absurd. There is no reason for equality between these two rates. What the Government is prepared to pay is something related to the average rate at which it borrows money for that sort of period, but what should be paid by an individual who does not fulfil his obligations is entirely a different matter.

Mr. T. T. Krishnamachari: It is just an inducement. Government have gone in for lottery as well.

The Honourable Sir Jeremy Raisman: I would rather not be drawn into various other unconnected subjects. If the Honourable Member wishes to debate that question I have no doubt he can find other opportunities.

I was saying that the second reason for this 2 per cent. was to signalise the true nature of this payment. It is not a tax payment in the ordinary sense. It is after all a payment in advance. We are not altering the whole basis of liability as fixed by the present law.

Sir F. E. James: May I ask my Honourable friend whether in the case of a person who has tax deducted at source, is that also payment in advance? Why does he not get the 2 per cent.?

The Honourable Sir Jeremy Raisman: That is where the Honourable Member is mistaken. The payment where tax is deducted at source in accordance with the provisions of the Act is not really an advance payment at all. It is a payment of tax which is due by the provisions of the Act at that time, and, although it is true that an assessment is made in the subsequent year, there are certain other provisions which indicate that the tax collected during the year is intended to have a more final character than an advance payment. For instance, it is a regular practice, if the rate of tax in the succeeding year is changed, not to apply the altered rate to the deduction already made.

Mr. T. T. Krishnamachari: Why don't you ask them to pay at the altered rate? You can pay them the 2 per cent. then?

The Honourable Sir Jeremy Raisman: I do not want to be drawn too far into theories underlying taxation enactments, because it is said by a very great man in this field, by none other than the late Lord Stam, that if you attempted to discover the underlying principles of our taxation legislation you would come to some very curious conclusions.

Mr. E. D. C. Gwilt (Bombay: European): There is one point which I would like to mention. The Honourable Member is being extremely gracious to people who at the moment are not paying the excess profits tax and I do not think the Government as a whole are losing money.

The Honourable Sir Jeremy Raisman: I am not wedded to the payment of 2 per cent. interest. As I have already said, naturally in the first form which this took in my mind, I had no intention of making any payment of interest. I quite see that it is arguable that, after all, what we are doing is to put people in a position in which other tax-payers already are and have been for a long time and that nothing more is due to them. If the general feeling is that this is an unjustifiable provision, I would be quite prepared to drop it and go back to my original idea. At the same time, I would ask that those who support the exclusion of the 2 per cent. interest should support an increase in the penal interest and that it should be put up to 8 per cent. What I am worried about is that 6 per cent. may not really be an adequate inducement.

Sir Henry Richardson: Will the Honourable Member support, say, an interest allowed to those who have it deducted at the source of 3 per cent. or more?

The Honourable Sir Jeremy Raisman: No, Sir. I regret that, while nothing would have given me greater pleasure than to have fallen on happier years when it is the privilege of the Chancellor of the Exchequer to hand out boons, unfortunately, when my horoscope was cast, that position was not allotted to me. (An Honourable Member: "Your star was unlucky.") Yes, my star was unlucky. I was destined to fall on days when screws have to be tightened and not loosened and it is very rare that I can pick up such crumbs of comfort as even the raising of the minimum taxable limit.

Mr. T. T. Krishnamachari: You are lucky in that there is some thread left which you can tighten.

The Honourable Sir Jeremy Raisman: There is quite a lot of thread left. That brings me to the Honourable Member's main argument. It seems to me that he entirely misapprehended the importance of this measure from the anti-inflationary point of view and he entirely misapprehended the scope of it. He seems to have thought that the total effect of this measure was included in the 8½ crores which I mentioned as being the result of certain changes in the rate of income-tax and super-tax. That is not the case. The importance of this is of income-tax and super-tax. That is not the case. The importance of this is of many times 8½ crores in the finance of the year. I should estimate it at something like 50 crores. It has the effect of actually raising a large sum of money during a particular limited period. When I said in a previous Budget speech that inflation in India was a short term disease, the critics said: 'Of course, inflation is always a short term disease'.

Mr. T. T. Krishnamachari: May I ask one question? Whatever the Honourable Member is getting by way of this particular method of collection is it going to be an addition to his estimates that he has given in his speech? Your income-tax estimates are based on the normal tax collection method.

The Honourable Sir Jeremy Raisman: I am afraid the Honourable Member has not studied that part of my speech carefully. If he had done so, he would have realised that the figures for actual estimated additional revenue related purely to taxation measures but that in relation to measures of compulsory deposit they were included in the over-all estimate of 100 crores. That is why the programme is considered by the Government as likely to be effective in dealing with inflation.

My Honourable friend deprecated the importation of examples from other countries like America, and yet I seem to remember that in a previous Session in discussing the question of inflation my Honourable friend expected the Government of India to deal with the subject in ways comparable with those adopted in more advanced countries such as Britain and America. Now, the value of a step of this kind is generally recognised. After all, economics is not quite so obscure and esoteric a science as it is sometimes thought to be. There are only a limited number of ways of dealing with certain economic mal-adjustments. Inflation is a type of economic disease which can be dealt with in

[Sir Jeremy Raisman.]

certain well-recognised ways, and the fact that this measure has been adopted in other enlightened countries merely proves that it is regarded as definitely one of the ways for countering inflation. But I was saying a little while ago that inflation is a short-term disease. My Honourable friend seemed to argue that the effect of a measure of this kind was a very limited one. It is true that its effect is mainly confined to a period of twelve months but twelve months is quite a long time in dealing with a disease of this kind. And if you can keep the situation under control by measures of temporary value, you obviously are in a far better position thereafter to maintain a state of equilibrium and stability. I think he exaggerated the administrative difficulties. We have tried to devise something which, as far as possible, will administer itself and if we could only count on the co-operation of the public, it could completely administer itself because every assessee who chooses to pay instalments on the basis of his last assessment removes all possibility of difficulty either for himself or for the Government.

Mr. T. T. Krishnamachari: But incomes are not quite so steady.

The Honourable Sir Jeremy Raisman: They may not be. At the same time, we have been going through a period of rising incomes . . .

Mr. T. T. Krishnamachari: Not for the businessman.

The Honourable Sir Jeremy Raisman: Precisely for the businessmen; certainly not for me, I can assure the Honourable Member. I am afraid, I have been going through a period of drastically decreasing net income, thanks largely to my own efforts. But there, again, that seems to have been in my horoscope. I seem to have been destined to draw the noose ever more tightly on my own neck. However, I was saying we have tried to devise this thing to be as simple as possible. My object was that it should be completely self-administering, and I would hope that it would be accepted by the general body of tax-payers in that way. After all, the worst that can happen to a man is that he may deposit slightly more than the finally assessed tax and he does get, as I said, an ordinary commercial rate of interest on that excess deposit; so he would be no worse off. And the whole thing could work exceedingly simply and need involve no additional machinery. It has been suggested that to expect a man both to pay the tax for last year and also to begin to pay instalments on the current year's profits is expecting a great deal. Well, I do not agree with that.

Mr. T. T. Krishnamachari: Because you had never to pay yourself.

The Honourable Sir Jeremy Raisman: I have tested that on myself. I do not think that my own form of human nature is particularly transcendental or spiritual. I think that I react to these inconveniences quite as fiercely as the average man. But I remember that not very long ago I found myself in the position of having to pay super-tax on my previous year's income and simultaneously having to pay instalments of super-tax on my current year's income. My reaction was one of relief because, although I have done a great deal of administration of public finance, I must say that I like my private finance to be as simple as possible. I do not like to have to cater for a pretty large demand coming after the end of the year, when I could have liquidated it by steady payments throughout the year during which the income was being received. That was my own reaction, and as far as I remember, it was the reaction of the majority of people similarly placed. They thought, What a good thing: we can now get it off our chest and know exactly how much is our money and how much is the Government's. I would hope at any rate that the majority of tax-payers would take that commonsense view of it and thus, as I say, facilitate their own problems and those of Government. I do not think there is any other point on which I can shed any light at this stage.

Mr. T. T. Krishnamachari: What about the insurance clause?

The Honourable Sir Jeremy Raisman: I forgot that Mr. Krishnamachari raised that point under clause 4. I see that there is a certain amount of force

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

in what he said and I shall be glad to discuss the matter in the Select Committee. The evil which this amendment seeks to deal with is one which also existed in the United Kingdom and this was the remedy which they applied. It is possible that it is not in all respects the best remedy and it may be susceptible of improvement. I have an open mind on that. So long as we do deal effectively with the abuse I would be prepared for some modification of the clause as drafted.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill further to amend the Indian Income-tax Act, 1922, be referred to a Select Committee consisting of Syed Ghulam, Bhabu Nairang, Mr. Muhammad Nauman, Babu Rajnath Bajoria, Mr. T. T. Krishnamachari, Sir Henry Richardson, Mr. T. Chapman-Mortimer, Mr. Abdur Rasheed Choudhury, Sir Vithal N. Chandavarkar, Khan Bahadur Sheikh Habibur-Rahman, Sir John Sheehy, Mr. C. W. Ayers and the Mover with instructions to report not later than Monday, the 20th March, 1944, and that the number of members whose presence shall be necessary to constitute a meeting of the Committee shall be five."

The motion was adopted.

THE INDIAN COCONUT CESS BILL.

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands): Sir, I move:

"That the Bill to provide for the creation of a fund for the improvement and development of the cultivation, marketing and utilization of coconuts in India, as reported by the Select Committee, be taken into consideration."

In moving for consideration I have little to add to what has been stated in the unanimous Report of the Select Committee. The Committee have made a number of changes, all of which are explained in the Report and I shall refer briefly to only two of them.

The Bill originally provided for the financing of the Committee by a levy on all coconuts consumed in mills at a rate of Rs. 3-2-0, that is, 50 annas per ton, equivalent to Rs. 0-2-6 per cwt. This rate was calculated to give the Coconut Committee an income sufficient to meet the probable expenditure during its earlier years with a small margin for expansion or as a guarantee against a fall in crushing and therefore in income. As an earnest, I think, of their faith in the potentialities of the Coconut Committee for good—for the good of the coconut producers and the oil millers—the Select Committee, as Honourable Members will see, have made it possible for the Committee to recommend, and for Government to fix on the recommendation of the Committee, a higher rate of duty. The Select Committee have fixed for this purpose a rate of four annas per cwt. as a maximum as against the original proposal of a fixed rate of Rs. 0-2-6 a cwt. This would enable the Committee to expand its activities without having to come back to the Legislature to provide for a higher duty. The change is accompanied by a rider recommending to Government that the initial rate should be that originally proposed in the Bill. That is a recommendation which Government, I think, will have no difficulty in accepting.

The second change of importance affects the constitution of the Indian Coconut Committee. Honourable Members will recall that in moving for Select Committee I drew attention to the fact that in the Committee as originally provided for we had got two representatives of the Central Government, 9 representatives of the provinces concerned and 9 representatives of the States concerned, the cultivation and milling of copra being, as it happened, pretty evenly divided between four provinces on one side and three States on the other. I also mentioned that we had provided representation in certain proportions for growers and millers and for a few Government nominees who might include experts. In the subsequent debate there was a very general demand for some representation for consumers and for labour interests. The question what constitutes a consumer in this connection has not proved very easy of solution and the Select Committee have therefore adopted the democratic view that the people's representatives may best be relied on to represent interests not specifically provided for in the original Bill, especially consumers' interests. We have in the Select Committee accordingly added three representatives from the

[Mr. J. D. Tyson.]

Central Legislature, and to maintain the balance—because I would remind the House that we have to rely on the three participating States to pass similar legislation so that the Committee may be set up with their concurrence—we have added one each from the three States. This adds six to the Committee but it does not affect the balance between growers and manufacturers or between provincial representation and States' representation. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to provide for the creation of a fund for the improvement and development of the cultivation, marketing and utilization of coconuts in India, as reported by the Select Committee, be taken into consideration."

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): At the time when the motion for referring the Bill to a Select Committee was made I said that there should be a real representation of growers, and I still say, that even on reading this report, the clause referring to the constitution does not make any provision for the real growers to be on this constitution. What you are thinking of and what the clause suggests is persons representing the growers. They may be non-growers because you contemplate nomination. Let me illustrate. Where there is conflict of interest such things can happen. The most glaring instance that I can give you—this is merely an illustration—is from the constitution of the Union of South Africa, where the interests of the natives are represented in the Union Parliament. The white men, the Afrikanders, represent the interests of the inhabitants there. How can their interests be guarded. They are conflicting. Coming home, I shall give another instance. Could you very well expect, by nominating Sir Cowasjee Jehangir, to look after the interests of the growers of cotton. The man who is interested in buying cotton cheap, how could he be expected to guard the interests of the grower who is interested in getting more money for his crop; and that such things do happen, I can very well say from my own experience. I am very particular as regards the constitution of such committees. Let me give you illustrations of the nature of the appointments made on the Central Cotton Committee. I have often made a complaint that persons who may have small cultivation or may not have cultivation may be nominated by the Provincial Governments. There is nothing to prevent them from being nominated. How could you expect them to guard the interests of the growers? This time, the Government have made a serious blunder in listening to the demand of the traders and the mill owners at the time when there was a meeting of the Central Cotton Committee. What happened was this. The rates of cotton were going up. There were no future contracts as these were prohibited because of the Ordinance. So, the businessmen, the speculators found it difficult to make profits out of the cotton grower. They were anxious to have this ban lifted. Then if you look at the position of the Central Cotton Committee, you will find that the press owners, ginner, mill owners and sundry others are all in a majority on the committee and the growers are in a small minority. The decision is that of the majority, by which you go. The decision is that of the non-growers and the interests of the growers are not properly looked after. It is my grievance that this nomination becomes a sort of patronage in the hands of the Provincial Governments and they do not look to the interests of the cotton grower, the man who grows the cotton, on whom the mill owner fattens himself. Those who have gone through the report of any mill will find that the textile mills have made tremendous profits. I know of a mill which made no profit two or three years ago, whose shares were not quoted in the market and nobody ever thought of that mill. I went through this year's report of that mill. That textile mill, after paying all the expenses, income-tax, E.P.T. and after making 25 per cent. compulsory deposit made a profit of ten lakhs on a paid up capital of 16 lakhs 75 thousand and this happened at a time when the cloth consumer found it very difficult to get cloth and the cotton grower found it very difficult, after meeting expenses, to save anything. I presided over many conferences and resolutions were passed . . .

THE INDIAN COCONUT CESS BILL

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better leave cotton alone. This Bill has got nothing to do with cotton.

Mr. Govind V. Deshmukh: I am pointing out that the interests of the growers are not properly safeguarded and it is in that connection I am referring to what has happened in the case of cotton. I brought this point specifically to the notice of Government and yet I find that no provision is made for the proper representation of the grower. I shall have something to say on this when I move my amendment.

Now, the interests of the coconut growers are not represented by the growers themselves but by somebody else and they will be in a minority. Another thing I wish to say is that you have given two members to three Governments. You have given only one to Bombay. I do not see what made you give Bombay one. Bombay has got a very extensive sea coast and the coconut is grown there on a very extensive scale. Of course, my friend, Mr. Lalchand Navalrai, has a grievance that Sind is not given any.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Leave it to me.

Mr. Govind V. Deshmukh: I am not complaining about my province, C. P. I am connected with Bombay Presidency. The Bombay presidency has a long coast and the coconut industry thrives very well there. I do not know what made the Government do this. Then the consumers are not merely confined to the coastal area of this country. This coconut is an article of food and we are all interested . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can raise these points when he moves his amendments.

Mr. Govind V. Deshmukh: My point is that consumers are not represented to the extent they should be and therefore when I move my amendments I shall point out what the number should be.

Mr. Lalchand Navalrai: My Honourable friend, Mr. Deshmukh, is always anxious for the growers. He said today he was not much interested in coconuts, but in cotton—he confused the two things. But there was method in his so doing. Thereby he made out a case for the extension of the constitution of the committee as in the Indian Cotton Committee. I am not concerned with that. But he referred to the condition of Sind in this respect. I find that the Education, Health and Lands Department is not quite aware of the fact that Sind also grows coconuts and has also mills. If they knew it, then they are guilty of not giving representation to Sind on the Committee for production and development of coconut . . .

Sir F. E. James (Madras: European): How many acres of coconut have you in Sind?

Mr. Lalchand Navalrai: If there are not many, then we must grow more. Those who have been to Karachi must have eaten coconuts of the Mahatma Gandhi garden at least. But you must help us to grow more . . .

The Honourable Sir Jogendra Singh (Member for Education, Health and Lands): Will the Honourable Member say what is the area under coconut in Sind?

Mr. Lalchand Navalrai: I am asking you to increase it. Why do you charge us this duty in Sind, which we will have to pay? This Bill applies to all as I shall presently show. On the contrary, I think the Honourable Member should have been thankful to me for having drawn his attention to this point so that the object of the Bill may be achieved. The object of the Bill is to improve and develop this industry and it is on that ground that I am asking you to help Sind also. In clause 3 of the Bill we find that a cess is to be imposed—it reads:

"There shall be levied and collected, as a cess for the purposes of this Act, on all copra consumed in any mill in British India, whether produced in or imported from outside British India, a duty of excise at such rate not exceeding, etc., etc."

You have a mill in Karachi; you have a mill at Sukkur in upper Sind. When you are charging excise from copra manufacturers, they and the growers also shall have to pay. Why do you not increase their production so that they can

[Mr. Lalchand Navalrai.] manufacture more? Sind has now grown so much that there are many mills of different kinds producing different commodities. There must be progress in this direction also. The committee as proposed to be constituted gives representation only to those places where coconut is being grown and where there are mills. In this way they have given representation to Madras, Travancore and Bombay, Bengal and Orissa and Mysore; why exclude Sind? I hope the Honourable Member and his Secretary will find a way to give representation on this committee to Sind also. It is that the Select Committee has so recommended the constitution of the committee. I am really sorry that I was not on the Select Committee to draw attention to this point. If no amendment can now be made, I would suggest another course. In fact there are two methods . . .

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Make Sind a part of Bombay.

Mr. Lalchand Navalrai: It is the Government that separated us from Bombay; we never wanted to separate; but all the same we are now separated; and being separate we are asking for a separate share in representation. (Interruption.)

Coming to clause 4(f), it says that one person shall be appointed by the Central Government, since no representation has been specifically provided for Sind, I request the Honourable Member and his Secretary that this seat should always be given to Sind. Further, you have also the power of making rules. In that way also you can provide some help to Sind and it is only fair to do so, when you are charging them duty. Coconut is always grown on the sea-side . . .

Sir F. E. James: What about Baluchistan?

Mr. Lalchand Navalrai: There is no sea side there. I think the Honourable Member knows that it is all desert there. I cannot say that it has sea side, while our Karachi is on the sea side. . . . (Interruption.)

Sir F. E. James: May I interrupt my Honourable friend for a moment? I understand that the actual acreage of coconuts in Baluchistan is the same as it is in Sind.

Mr. Lalchand Navalrai: I do not know, but if that is so, then Sind and Baluchistan may be given jointly one member on the committee. But I think we grow more than Baluchistan if it grows at all and we should be given some representative. We should be treated fairly, especially Government should be thankful when Sind has given back all the loan which the Central Government had to get from her; they have been very business like in giving you all or even more and I hope Government will give representative to Sind on this Coconut Committee.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): Sir, I record my whole-hearted support to this measure and I have only one word to say; and that is to give my humble apology to this House for failing to be present in the meeting of the Select Committee. It was due to a misunderstanding both on my part and on the part of the Government. I am sorry I could not carry out my duties which were entrusted to me by the House, due mainly to a misunderstanding about the date.

In making this motion, my Honourable friend, Mr. Tyson, mentioned the fact that other parties also have to legislate; and I want to ask him what will happen if one of states or provinces do not wish to come on this body. Will that body function or not? That is a point which I hope will be clarified in the reply which the Honourable Member will give. With these words, I give my whole-hearted support to the Bill.

Mr. J. D. Tyson: Sir, I should like to express my own regret that it was not possible for my Honourable friend, Mr. Essak Sait, to attend the Select Committee. I know his interest in this Bill and coming as he does from the part of the country which, in the first instance, is likely to be benefited, we should very much like to have had his assistance on the Select Committee. As regards the point which he has raised, we have, of course, very good reason to believe that

THE INDIAN COCONUT CESS BILL

the three States to whom it is proposed to give representation on this Committee will pass legislation generally on the lines of this Bill and will come in. It is exceedingly unlikely, as the Bill originally introduced represented an agreed Committee, that they will now back out, for they themselves were very keen on a Committee of this kind. I would rather not, therefore, answer a hypothetical question as to what would happen if they did not act up to the agreement. Certain points have been raised, and I hope my Honourable friend, Mr. Govind Deshmukh, will not consider me discourteous if I keep my answer to his points till I can deal with the specific amendments to which they refer. As regards the points made by my Honourable friend from Sind, I am sorry that he should think that his Province has not received proper consideration. So far as the cultivation of coconut goes, it will be the object of this Committee to step up production wherever production can be stepped up. But I am afraid that I must inform the Honourable Member and the House that if the Committee when it is formed were to double the area under coconut cultivation in Sind, the area would still be the same as it is at present.

Mr. Lalchand Navalrai: Why that way? Why will it not increase?

Mr. J. D. Tyson: Because twice nothing is nothing. Then as regards representation on the basis of acreage, it is difficult to give representation related to potential development. But there again, if we were to try to relate representation on the Committee to potential development as illustrated by Sind, it would not help Sind for I may say that in 1920, there were 12 acres under coconut cultivation in Sind, and the area increased to 45 acres in 1921. Apparently the experiment was not successful, for after 1922 right up to 1935, the acreage was shown as nil.

Mr. Lalchand Navalrai: No help was given and that was why it was destroyed.

Mr. J. D. Tyson: From the point of view of development, the potentiality of Sind does not seem to be very great. Then, as regards milling, it is quite true that a certain amount of copra is crushed in Sind, but according to the latest figures available to me, there are only two power mills, and eight, what are called, "expellers", which are, I gather, rather superior machines. I think there are only ten concerns in Sind; their output is fairly large and they are probably pretty big concerns, but there are only ten of them,—which can be compared with figures that run into three digits in the other Provinces and States. I think I have answered all the points that have been made on the consideration motion.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the Bill to provide for the creation of a fund for the improvement and development of the cultivation, marketing and utilization of coconuts in India, as reported by the Select Committee, be taken into consideration."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Mr. Govind V. Deshmukh: Sir, I move:

"That in sub-clause (b) of clause 4 of the Bill for the word 'nine' occurring in the first line the word 'thirteen' be substituted and for the word 'one' in line 3 the word 'two' be substituted."

Now, Sir, I find that the Madras Government have been given authority to nominate two, the State of Travancore has been given the same authority to nominate two persons. If these two Governments are given power to nominate two persons each, I cannot understand why a distinction is made as regards the Bombay Government and the Government of Bengal and the Government of Orissa. They are given only one. The Bombay Presidency has a large coast line and it has a large cultivation of coconut. The soil conditions and the climatic conditions in the Bombay Presidency are very favourable for the cultivation of coconut. It is not that if more encouragement is given, the plantation will not grow more there. I want the principle of giving more representation to growers to be accepted. I have been connected with the Bombay Presidency. I cannot say very much about Bengal or Orissa. I submit that Bengal, Orissa and Bombay should each have two representatives. I submit the amendment I propose is reasonable and justifiable, because if you give encouragement to the Provinces to increase their cultivation of coconuts they will take proper steps to

[Mr. Govind V. Deshmukh.]

do so and thereby you will give a better price to the producers. In this way the coconut cultivation area will increase.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (b) of clause 4 of the Bill for the word 'nine' occurring in the first line the word 'thirteen' be substituted and for the word 'one' in line 3 the word 'two' be substituted."

Mr. J. D. Tyson: Sir, I think the Honourable the Mover of this amendment has not appreciated that the growers' representation is not the only representation which the presidency of Bombay will receive. Bombay also receives two representatives of the oil industry. Now, Sir, it happens that the main interest of Bombay in coconuts is in the milling industry. It is very heavily represented in the milling industry. According to the latest figures available to me, the cultivation of coconuts at present in Bombay is only 28,000 acres. The effect of this amendment, if we were to accept it, would be that for the growers of Cochin, Bengal, Orissa and Bombay—every one of them has less than 70,000 acres under coconut and the whole lot of them put together have less than 160,000 acres—we should be giving the growers of each of those Provinces or States representation equivalent to what we are giving to Madras with an acreage of 585,000 acres, and Travancore with an acreage of 577,000 acres. We have sought to relate it to existing cultivation and, as I said, the areas in Madras and Travancore which have got two members each are far greater than those of the other States and provinces. Incidentally, while I do not claim to be anything of an arithmetician, in the absence of my Honourable friend from Aligarh, I think I must point out that if the amendment were accepted, for the word "nine" we should have to read "fourteen" and not "thirteen". My Honourable friend, Mr. Deshmukh, seems to be a worse mathematician than I am myself!

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (b) of clause 4 of the Bill for the word 'nine' occurring in the first line the word 'thirteen' be substituted and for the word 'one' in line 3 the word 'two' be substituted."

The motion was negatived.

Mr. Govind V. Deshmukh: Sir, I move:

"That in sub-clause (b) of clause 4 of the Bill after the word 'persons', the following be inserted: 'growers of coconut, who are not traders or bankers'."

I have referred generally to the disadvantage of traders and bankers being nominated on such committees. The traders are more interested in getting the coconuts at a cheaper price and profiting themselves. If the growers are on the committee in greater numbers they will be sure to protect the growers' interests better than traders and bankers who only want to exploit the growers. It was said that the representation of the growers of coconut was made to depend on the area under cultivation, but I submit that that test in regard to the allotment of numbers is incorrect. What I submit is that the representatives of growers will safeguard their own interests. But that amendment having failed I hope that at least this amendment will be accepted. For instance, supposing Sir Cowasjee Jehangir were appointed or nominated to look after the interests.

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better not mention any names.

Mr. Govind V. Deshmukh: I am sorry. But supposing a millowner were nominated to look after the interests of labour, how would he guard their interests? I wish to emphasise by this illustration the same point that traders or bankers are not likely to guard the interests of the growers. I hope this amendment will appeal to Government. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (b) of clause 4 of the Bill after the word 'persons', the following be inserted: 'growers of coconut, who are not traders or bankers'."

Mr. J. D. Tyson: Sir, the idea behind this amendment certainly commends itself very strongly to Government, but there are practical difficulties to which I must draw attention. For example, take growers. Is the owner of a small

coconut plantation a grower, or an owner, or what is he? Then if he sells his coconut does he become a trader? It is very difficult to say. Then take bankers. Specially in South India there are many people in a small way of business who are moneylenders and might be termed 'bankers'. There is a further difficulty, apart from terminology. The coconut growers are not organised and,—it is just possible,—indeed I understand it is the intention of one of the States to send its Director of Agriculture to represent the growers as the growers are not organised in that State. If we were to accept this amendment that will be impossible. I do myself hope very much that provinces and States will do their very best to send men who are genuine growers of coconuts, under sub-clause (b) of the clause, but I think it would be dangerous to accept the amendment as worded. Sir, I oppose the amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (b) of clause 4 of the Bill after the word 'persons', the following be inserted: 'growers of coconut, who are not traders or bankers'."

The motion was negatived.

Mr. Govind V. Deshmukh: Sir, I move:

"That in sub-clause (g) of clause 4 of the Bill, for the words 'six other persons, of whom two' occurring in the first line the following be substituted: 'eight other persons, of whom four'."

The consumers of coconut are all over the country and this clause contemplates their representation. I submit that as they are all over the country the number fixed by Government is very small. There is another advantage in having a larger number elected by this House, namely, they will represent not merely the interests of the consumers but be an independent body taking an impartial view of the whole scheme, whether it is the interest of the consumers or of the growers or of the traders. This is the only provision which gives a democratic aspect to the constitution and I wish it were followed on a larger scale. I am aware that there are no Associations of coconut growers and no other Associations from which representations could be made to this constitution. This Assembly represents to a certain extent the growers and to a considerable extent the consumers and the increase of numbers will safeguard the interests of the industry as a whole. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (g) of clause 4 of the Bill, for the words 'six other persons, of whom two' occurring in the first line the following be substituted: 'eight other persons, of whom four'."

Mr. J. D. Tyson: Sir, the difficulty about accepting this amendment is very largely that it swells unduly the size of the committee. We started off in the original Bill with a committee of 20 and I was very anxious to keep it at 20. Out of deference to the very universal expression of opinion in this House we have added three representatives of the Central Legislature, representing primarily the consumers' interests, and to keep the balance we have added one each from the three States whom we have to bring along with us in this matter. The result is that the committee has now 26 and I am afraid I cannot accept any amendment which seeks further to add to its size.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (g) of clause 4 of the Bill, for the words 'six other persons, of whom two' occurring in the first line the following be substituted:

'eight other persons, of whom four'."

The motion was negatived.

Clause 4 was added to the Bill.

Clauses 5 to 8 were added to the Bill.

Mr. H. A. Sathar H. Essak Sait: If you would permit me, Sir, I would like to put this amendment in a little modified form.

Mr. President (The Honourable Sir Abdur Rahim): Have you given a copy of this modified amendment to the Government Member?

Mr. H. A. Sathar H. Essak Sait: Yes, Sir. I gave a copy to the Honourable Member and the office.

Mr. President (The Honourable Sir Abdur Rahim): I take it there is no change of substance.

Mr. H. A. Sathar H. Essak Sait: There is no change of substance; the change is only in form. Sir, I move:

"That in sub-clause (h) of clause 9 of the Bill the word 'and' be omitted, that after the said sub-clause the following sub-clause be inserted and that existing sub-clause (i) be re-lettered (j):

'(i) by improving the marketing of coconuts in India and abroad and suggesting suitable measures to prevent unfair competition; and'."

Sir, my amendment seeks to add two more functions to the functions that have already been allotted to this committee. The purpose of the Bill is to provide for the creation of a fund for the improvement and development of the cultivation, marketing and utilization of coconuts in India. But in clause 9 there is no particular item to empower the committee to do all it can in respect of marketing.

Mr. T. T. Krishnamachari (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): One of the objects is to promote marketing.

Mr. H. A. Sathar H. Essak Sait: But it is not laid down in the sub-clause. That is why I want the first part of my amendment.

Coming to the second part of my amendment, in speaking on the motion for the commitment of this Bill to the Select Committee I had drawn the attention of the House to the competition that we had to suffer from before the war, from Ceylon. It is quite possible that soon after the war we may again have to face such competition, and therefore I suggest that this committee should be empowered to think out and suggest such measures as may help us in combating and if possible in eliminating any competition which we may have to face after the war. With these few words, Sir, I commend the amendment for the acceptance of the House.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (h) of clause 9 of the Bill the word 'and' be omitted, that after the said sub-clause the following sub-clause be inserted and that existing sub-clause (i) be re-lettered (j):

'(i) by improving the marketing of coconuts in India and abroad and suggesting suitable measures to prevent unfair competition; and'."

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Sir, I support this amendment. This amendment seeks to enlarge the scope of operation of this Bill. One important object which this Bill seeks to achieve is to promote the development of cultivation of coconut in India. But any scheme of development should also take note of the fact that in the advanced stages of its development it may have to face competition from countries which at the present moment is absent. We apprehend that after the cessation of hostilities, Indian coconut industry may have to face competition with coconut coming from Ceylon and other countries; and the Standing Committee would then be in a very difficult position and they would again have to come to seek the help of the Legislature for the purpose of enlarging its scope and for the purpose of combating the danger that would develop at that moment. I think this amendment meets that need and, therefore, I support it.

Mr. Govind V. Deshmukh: Sir, I also wish to support this amendment. I do not know what the Honourable Member would say. Perhaps he would say that the addition made by the Select Committee to clause 9, namely, "and for such other purposes as the Committee may think fit", covers the scope of this amendment. Or, he might say that the addition made to (i), namely, or which it may itself think necessary or advisable in order to carry out the purpose of this Act", covers this. But I must say that the amendment, which has been moved by my Honourable friend. Mr. Essak Sait, makes the point very clear, and I, therefore, support it.

Mr. J. D. Tyson: Sir, I am grateful to my Honourable friend for his amendment. I think it is an improvement in the Bill and we shall certainly on this side accept it.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (h) of clause 9 of the Bill the word 'and' be omitted, that after the said sub-clause the following sub-clause be inserted and that existing sub-clause (i) be re-lettered (j):

'(i) by improving the marketing of coconuts in India and abroad and suggesting suitable measures to prevent unfair competition; and'."

The motion was adopted.

Clause 9, as amended, was added to the Bill.

Clause 10 was added to the Bill.

Mr. H. A. Sathar H. Essak Sait: Sir, I move:

"That in sub-clause (2) of clause 11 of the Bill, before the word 'payable' occurring in line four the words and comma 'if any,' be inserted and the words and comma 'if any,' occurring before the words 'as may be prescribed' be omitted."

The object of this amendment is obvious. It is a drafting amendment and it is an improvement on the Bill as it is. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Amendment moved:

"That in sub-clause (2) of clause 11 of the Bill, before the word 'payable' occurring in line four the words and comma 'if any,' be inserted and the words and comma 'if any,' occurring before the words 'as may be prescribed' be omitted."

Mr. J. D. Tyson: Sir, I am prepared to accept this amendment.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That in sub-clause (2) of clause 11 of the Bill, before the word 'payable' occurring in line four the words and comma 'if any,' be inserted and the words and comma 'if any,' occurring before the words 'as may be prescribed' be omitted."

The motion was adopted.

Clause 11, as amended, was added to the Bill.

Clauses 12 to 20 were added to the Bill.

Clause 1 was added to the Bill.

The Title and the Preamble were added to the Bill.

Mr. J. D. Tyson: Sir, I move:

"That the Bill, as amended, be passed."

Sir, I would only like to express my thanks to the Select Committee who took a great deal of interest in improving the Bill, and to this Honourable House for expediting its passage.

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill, as amended, be passed."

Mr. Govind V. Deshmukh: I have to thank the Honourable Member for the way in which he has seen this Bill through. Coconut being an article of food, effect should be given to this Bill as early as possible in order to grow the coconuts on an extensive scale, and I hope the Government will not sleep after getting this Bill passed and the necessary sanction obtained.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Bill, as amended, be passed."

The motion was adopted.

The Assembly then adjourned for Lunch till Three of the Clock.

The Assembly re-assembled after Lunch at Three of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

THE HINDU CODE, PART II (MARRIAGE).

The Honourable Sir Asoka Roy (Law Member): Sir, I move:

"That this Assembly do recommend to the Council of State that the Bill to codify the Hindu Law relating to marriage be referred to a Joint Committee of this Assembly and of the Council of State and that the Joint Committee do consist of 18 members."

Sir, Honourable Members are aware that in para. 15 of their report, the Hindu Law Committee had expressed themselves in favour of a codification of the Hindu Law by stages, beginning with the law of succession and the law of marriage. The Government of India accepted this view, and this Bill is one of the two Bills drafted by the Committee. The Bill was published in the *Gazette of India* on the 17th May, 1942, under rule 18 of the Indian Legislative Rules, and has been circulated by executive order for the purpose of eliciting public opinion. The Bill was introduced in this House on the 2nd March, 1943. Copies of opinions elicited are already in the hands of Honourable Members; and although I do not deny that some of the opinions are critical and even

[Sir Asoka Roy.]

hostile, the opinions on the whole are in favour of the principle of the Bill. The controversy mainly centres round the question of introducing monogamy and the application of the doctrine of *factum valet* to sagotra marriages. I think this controversy can best be resolved by a free and frank discussion in the Joint Committee to which I propose that this Bill should be referred. The committee will also be in a position to consider other objections which have been urged or which may be urged against the Bill, and if necessary to modify or alter the provisions of the Bill so as to make them acceptable to the community. I assure my Honourable friends that Government has no intention of taking any precipitate action in so important a matter touching the Hindu community. It is the intention of Government to move for the circulation of the Bill after it emerges from the Joint Committee, so that the community may have a further opportunity of studying and expressing its opinion on the Bill and the changes, if any, that may be made by the committee in the Bill.

There is just one other matter to which I should like to refer. Honourable Members are aware that on the 10th November last, my Honourable friend Mr. Govind Deshmukh, moved for reference to Select Committee of his Hindu Marriage Disabilities Removal Bill. In the course of that debate I had stated that I should do whatever was possible to try and have this Bill referred to the Select Committee in the next Session; or in other words, in the course of the present Session. I hope that Honourable Members who have given notice of their intention to move for circulation of the Bill will withdraw their motions, and that this motion of mine will have the unanimous approval of the House. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Motion moved: "That this Assembly do recommend to the Council of State that the Bill to codify the Hindu Law relating to marriage be referred to a Joint Committee of this Assembly and of the Council of State and that the Joint Committee do consist of 18 members."

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): Sir, I move: "That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st October, 1944."

Mr. N. M. Joshi (Nominated Non-Official): You are now wasting time; he is agreeable after the Select Committee meeting.

Babu Baijnath Bajoria: I know so much English; I can follow him. I have heard the speech of the Honourable the Law Member and I know that he has assured this House that after the Bill is referred to the Select Committee and after the deliberations of the Select Committee, the Government will agree to the circulation of this Bill for eliciting public opinion on it.

Mr. N. M. Joshi: Then why do you speak?

Babu Baijnath Bajoria: Wait and hear; and he has asked me and other Members who have given notice of moving this circulation motion to withdraw those motions. I find myself in a difficult position to accept his suggestion. There are several reasons for that. First and foremost reason is that if this House agrees to refer this Bill to the Select Committee, the House becomes committed to the principles of this Bill. (Interruption.) You will hear everything. After I have finished, if you have any further questions to ask I will be only too pleased to answer them. I on my part do not accept in the least the principles of this Bill. I will give in detail the principles of the Bill later on and my views thereon.

The Bill has not been circulated properly at all. The time given for sending opinions was very short. The Bill was circulated in June, 1942.

The Honourable Sir Sultan Ahmed (Leader of the House): And it is only 1944!

Babu Baijnath Bajoria: The time given for opinions to reach the Government was, if I remember aright, August, 1942, and no opinions received after that date can be considered on their merits. Government did not extend the time for receiving replies to this Bill from the public till 1944. If they had done so, probably my case for sending the Bill for eliciting public opinion thereon would have been weak, but, as a matter of fact, they did not do so.

If I remember aright, the time which they gave was only about a couple of months. It was not at all sufficient for a Bill of this nature, which, as the Honourable the Law Member himself admitted, is one which affects all the Hindus and is a very important one. The Bill, was sent for eliciting public opinion thereon,—opinion from whom? From the Bar Library, from the law-yers, from the Judges, but not from the people of this country. Marriage affects even the humblest of the humble in this country, but no attempt whatever has been made to get the opinion of the people. Judges may be very eminent persons, if I say anything about lawyers, I shall probably be heckled by the galaxy of lawyer friends in this House. (Interruption.) In all these matters affecting religion and social customs, judges and lawyers have their own sentiments and their own opinions.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): They are also married and unmarried.

Babu Baijnath Bajoria: They are married, most of them I think.

An Honourable Member: Officially!

Babu Baijnath Bajoria: Unfortunately, these lawyers and judges are mostly imbued with western ideas and thoughts than with Hindu tradition, culture and spirit. I am not making a sweeping remark against all the lawyers, but, Sir, many of them belong to this group.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): What do you think of me?

Babu Baijnath Bajoria: You can express yourself. You are here. In my opinion, the Bill should be circulated even in villages and opinions should be received from the village panchayats.

Sardar Sant Singh (West Punjab: Sikh): In the English language?

Babu Baijnath Bajoria: Not in the English language, but in the provincial languages.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): All the important languages of India.

Babu Baijnath Bajoria: Important languages of the provinces. In Bengal from which I come and from which you, Sir, as well as the Honourable the Law Member come,—this Bill was only published once in the *Calcutta Gazette* on the 18th June, 1942, and it was not translated into any other language and it was not published in any newspaper. May I ask the Honourable the Law Member how many people can have access to the *Calcutta Gazette*? It is not obtainable. People do not read it. It only circulates among the official classes, and under the circumstances, how can you get the opinion of the public? I may say that the text of this Bill has not appeared in any daily newspaper. Only some substance of it may have appeared here and there, which is not at all sufficient to give a full and considered opinion on a Bill of such an important nature. If opinions are taken from the masses, from the whole of the Hindu community, I dare say that 95 per cent. of the population will be against this Bill, and I may even say that the opposition will even be stronger from the womenfolk than from the menfolk.

An Honourable Member: How do you know? (Interruptions.)

Babu Baijnath Bajoria: Further, I will say that the present is not the proper and opportune time to rush forward with a Bill of this kind. We are living in war conditions and it is not at all proper that a Bill of this importance should be gone through now. Apart from war conditions, this Government, according to its own admission, is on its last legs. They themselves have said that after the war they will go and hand over power to Indians.

Sardar Sant Singh: Wait and see.

Babu Baijnath Bajoria: The Bengal Government—I am more concerned with their opinion than with the opinions of other provinces—have said this. I will read a few lines, I will not take much time.

"In view of the controversial nature of the proposed legislation and the intricate questions of law and customs which are involved, the Government of Bengal are of opinion that the consideration of the Bills may be postponed till after the war."

[Babū Baijnath Bajoria.]

I would have given notice of a straight motion to that effect as I did on the last Bill, that is, the Hindu Intestate Succession Bill, but unfortunately you ruled that motion out of order. So, I have no alternative but to move a motion like this. The Honourable Sir Sultan Ahmed, the then Law Member, said when I moved the motion for eliciting opinion on that Bill, "Even if this Bill goes for eliciting public opinion for several years, I will not change". I admit I will not change, but he has changed.

The Honourable Sir Sultan Ahmed: No, he has not.

Babu Baijnath Bajoria: That Bill and this Bill have gone out of his hands.

The Honourable Sir Sultan Ahmed: That is right.

Babu Baijnath Bajoria: I think that by the time this Bill comes after eliciting public opinion the present Law Member also will have gone.

The Honourable Sir Asoka Roy: You may be right!

Babu Baijnath Bajoria: It has also been said time and again that if the National Government comes in with Congress at the helm of affairs, they will pass measures of this kind and then my cry will be a cry in the wilderness. I do not agree with that. I would rather like the Congress or the reformers come in, and let them take the full responsibility of passing measures like this. One or two measures of this type, if passed by them, will kill all their credit in the country. At the present time what the reformers say when they meet any men of the opposite view is this: "It is the British Government that is doing all this. It is for that reason that we want to drive away this Government". Then they will not have all those excuses and they will be shown in their true colours. When they have no responsibility, they talk in an irresponsible manner but when they have to shoulder responsibility they will be of a different frame of mind.

Sir, I think I have made out a case for the circulation of the Bill

The Honourable Sir Sultan Ahmed: To your own satisfaction?

Babu Baijnath Bajoria: and I think to the satisfaction of the House, barring yourself. The Honourable the Law Member said that this Bill only introduces one main change and that is the abolition of polygamy and it only validates *sagotra* marriages on the principle of *factum valet*. I do not think this Bill is so simple as the House is asked to believe. I will give you some of the main principles of the Bill as I read it. First and foremost this Bill recognises two forms of Hindu marriage, one a sacramental marriage and the other a civil marriage. Hindu civil marriage is a thing which no true Hindu will ever accept.

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): How do you define 'true Hindu'?

Babu Baijnath Bajoria: Shut up. I stand on my own legs. A true Hindu cannot accept civil marriage at all.

Mr. D. K. Lahiri Chaudhury: What is a Hindu?

Babu Baijnath Bajoria: It may be argued that it is embodied in the Special Marriage Act and Hindus conform to that form of marriage. I will with your kind permission read the Preamble of the Special Marriage Act of 1872. I am not a lawyer. If I am mistaken as regards any legal matters, I shall be only too pleased to be corrected by the Law Member or the Leader of the House. The Special Marriage Act of 1872, before it was amended by Dr. Gour's Act of 1923, read as follows:

"Whereas it is expedient to provide a form of marriage for persons who do not profess the Christian, Jewish, Hindu, Muhammadan, Parsi, Buddhist, Sikh or Jaina religion. . . ."

Every conceivable religion on the face of the earth! This Act was for those persons who did not profess any religion or in other words, atheists or, as we call it in Hindi, *nastiks*. This Act was meant for those persons alone. Then, thanks to Dr. Gour, the word "Hindus" stepped in. Hindus of his way of thinking, he thought, did not want to swear before a Registrar that they did not profess any religion. So, they said—let some addition be made in this Act, so that we may not have to swear that we are not Hindus and for that reason let us be treated even as outcastes. Then provisions were made in this Act

which I shall presently read to you and on those very assurances and on those very stipulations, sections were introduced into this Act and Dr. Gour's Bill was passed. In the Preamble it was added:

"and for persons who profess the Hindu, Buddhist, Sikh, or Jaina religion."

And it legalises marriages between persons each of whom professes one or other of the following religions, that is to say, the Hindu, Buddhist, Sikh or Jaina religion. At the same time, I think I may mention that they suffered from disabilities. They were more or less like outcastes or civilly dead as regards their own families were concerned. I will read sections 22 to 26 all of which the present Bill has cared to delete except section 24.

"Section 22. The marriage under this Act of any member of an undivided family who professes the Hindu, Buddhist, Sikh or Jaina religion shall be deemed to effect his severance from such family."

He was turned out of the family:

"Section 23. A person professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act shall have the same rights and be subject to the same disabilities in regard to any right of succession to any property as a person to whom the Caste Disabilities Removal Act, 1850, applies,

Provided that nothing in this section shall confer on any person any right to any religious office or service, or to the management of any religious or charitable trust."

So he was debarred in that way:

"Section 24. Succession to the property of any person professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act, and to the property of the issue of such marriage, shall be regulated by the provisions of the Indian Succession Act, 1865."

They were not to be governed by the Hindu law:

"Section 25. A person professing the Hindu, Buddhist, Sikh or Jaina religion who marries under this Act shall have any right of adoption.

Section 26.—When a person professing the Hindu, Buddhist, Sikh or Jaina religion marries under this Act, his father shall, if he has no other son living, have the right to adopt another person as a son under the law to which he is subject."

Dr. Gour persuaded the then Members of this House and the then Government of India to agree to these provisions and to allow the so-called Hindus of his way of thinking to marry under this Act and he agreed even to go to the extent of incurring all these disabilities which virtually means, in my opinion, that he ceases to be a Hindu at all. (An Honourable Member "Outcast"? Yes. That is not my word. This is the word of the Rau Committee itself. If you will read page 11 of this Explanatory Note, it says:

"As for the other sections, it is worth reconsidering whether, e.g., a Hindu marrying a Hindu should be treated as an outcast merely because he has entered into a civil marriage rather than a sacramental marriage."

All these disabilities are now to go and the so-called marriage of the Hindus under the Civil Marriage Act will be brought on an equality with Hindu sacramental marriage. Sir, I, for one, and millions of Hindus who are of my way of thinking, will never agree to this thing. There can be only one form of Hindu marriage and that is the sacramental marriage. I cannot accept this principle and so I cannot accept the Select Committee motion. Probably, this point has not entered into the mind of the present Law Member.

Dr. P. N. Banerjee: He is not the author of the Bill.

Babu Baijnath Bajoria: He has done the work of a post office. He has only moved that this Bill be referred to a Select Committee and I do not know if he agrees with all the principles of the Bill himself.

Another objection why I do not agree that the civil marriage and the sacramental marriage should be brought on parity is that at the present moment every true Hindu thinks that the marriage under the Special Marriage Act is not a Hindu marriage at all; it is a Christian marriage. It is openly said that it is a *sahibi Bibah*. Neither the issues of persons contracting marriage under the Special Marriage Act are allowed to marry the issues from the sacramental marriage. This is a very fundamental objection which I have got. If you put these two forms of marriages on the same parity, then they will say that both these marriages stand on the same footing and therefore the issues of one marriage can marry the issues of the other marriage. That would only mean the contamination and pollution of the Hindu society. The main object of this Bill, in my opinion, is that the stigma or the disabilities

[Babu Baijnath Bajoria.]

from which people who marry under the Special Marriage Act suffer at the present moment should be removed and there should not be any difference whatsoever between a sacramental marriage and a civil marriage. Probably after ten years or so the next Law Member will come forward with another Bill and he will move that the sacramental form of marriage should be deleted altogether.

Mr. D. K. Lahiri Chaudhury: How do you define a sacrament?

Mr. Lalchand Navalrai: It is defined in the Bill.

Babu Baijnath Bajoria: I will explain it to you later. There also a fraud has been perpetrated on the sacramental marriage.

Sir, I rather pity the framers of this Bill. They pose to be Hindus; they are eminent jurists and eminent lawyers; but in my opinion the spirit of Lord Macaulay must be smiling in the Heaven that he has at last got certain men who can be said to be his true agents to mould Hindus of the type he wanted.

I would like to have some answer from the Honourable the Law Member to the question that I have raised, namely, whether the issues of the sacramental marriage will be allowed to marry the issues of persons marrying under the Special Marriage Act as contained in this Bill.

The Honourable Sir Asoka Roy: What would you like?

Babu Baijnath Bajoria: I have already said what I would like; probably the Honourable Member was not hearing me. In my opinion, if it is to be a Hindu Marriage Bill, there should be only one form of marriage. The Special Marriage Act is already there for those Hindus who want to flout the Hindu Shastras. They can marry under that Act and keep themselves separate as they are doing at present.

Now, I will refer to some of the principles which the sacramental form of marriage introduces according to this Bill. And let me assure you I won't touch very much on the civil marriage portion because I have got very little to do with it. If the civil marriage portion is altogether deleted from this Bill, I shall be very happy. Now, the first principle which this Bill lays down is the abolition of polygamy. Here, the House will agreeably be surprised that I support the abolition of polygamy and insist on monogamous marriages. I have taken the opinion of several learned Pandits and they have informed me—and I accept their authority much better than I do the authority of the lawyers (and lawyers include the Law Member himself)—that the Hindu law as propounded in the Shastras does not allow any Hindu to marry as many wives as he likes according to his own sweet will. What the Pandits have told me has been rightly reproduced in the Explanatory Note which reads thus:

"According to early Hindu Law monogamy was the approved rule and polygamy was an exceptional provision. It was only when the wife was barren, diseased or vicious or when she consented, that she could be superseded and a second marriage could be validly contracted."

Polygamy is now a dying institution. Polygamy is very rare amongst the Hindus, if for nothing else, for the cost it involves.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Money cost or happiness cost?

Babu Baijnath Bajoria: Both. This is especially the case in the upper strata of society where wives are really white elephants. It is difficult to maintain one and to provide for all she wants. How can a poor husband afford to have more than one wife? (Interruption.) This Bill does not contain any provisions for the rights and duties of husband and wife and I think that has been left to later instalment of the codification. So, I shall not say about rights and duties. If you like, I can go into them in detail.

Mr. N. M. Joshi: Take pity on us.

Babu Baijnath Bajoria: If I am not interesting to you, you may go to sleep. I think, Sir, this Bill, as far as the abolition of polygamy is concerned has gone rather too far. I have already said that I accept the principle. I insist on monogamous marriages even in cases where no issue is born. In such a case, we should adopt a son, and that is what is being done in practice, no second wife

is taken in marriage because there is no issue by the first marriage. In my community polygamy is practically unknown. If at all such cases are very rare. Still I have read the few opinions which have been circulated to us and even those, who are most insistent on having monogamous marriages and who want to abolish polygamy, are also of opinion that we should not in the first instance make this clause so strict as has been done in this Bill. What are the provisions for the abolition of polygamy in this Bill. The Bill goes so far as to make those marriages void and applies sections 494 and 495 of the Indian Penal Code. In all other matters—to which I will refer later on—even in the case of a *sagotra* marriage, they have taken the troubles of putting forward the plea that because such a marriage has been done and it is an accomplished fact and so they cannot make it void. But here, they must make it punishable. I say, Sir, this is clearly English conception of polygamy. In my opinion, marriages should not be made void, if necessary some punishment should be imposed, but on no account should marriages be invalidated. If marriages are made void, it is the women who suffer most. I, Sir, am the greatest champion of the cause of women. I want that women should be good wives, good mothers and they should go to heaven, they should have salvation. On the other hand, what are these reformers doing? They lead women to abyss. So, Sir, as regards abolition of polygamy is concerned, Government will be pleased to accept the view which I have expressed and which is the utmost which the Hindu society is prepared to go to.

Coming to the next point in this Bill as regards sacramental marriages, there are two provisions, sections 4 and 7, the one is quite contradictory to the other. I am not a lawyer. I have not been able to understand the difference between the two. First of all, it says that—

"a sacramental marriage may be solemnised"—I think, Sir, may is a dangerous word—"between any two Hindus upon the following conditions, namely:

- (a) neither party must have a husband or wife living at the time of marriage;
- (b) both the parties must belong to the same caste;
- (c) if the parties are members of a caste having *gotras* and *pravaras*, they must not belong to the same *gotra*, or have a common *pravara*;
- (d) the parties must not be *sapindas* of each other;
- (e) if the bride has not completed her sixteenth year, her guardian in marriage must consent to the marriage."

Sir, these are certain restrictions which are placed on sacramental marriage. I have already dealt with the first one about the abolition of polygamy. I quite agree with (b), (c) and (d) because they are just according to our usages and customs obtaining at the present moment. As regards part (e) it says that the bride, if she has not completed her sixteenth year, should take the consent of her guardian. Why, Sir, this limit of 16th year? In a sacramental marriage, it is the guardian that gives away the girl in marriage to a husband. This restriction about age limit should go away altogether and the clause should read that the guardian must consent to the marriage. Even in the case of a civil marriage, the bride has to take the consent of the guardian if she has not attained the age of 21. What astonishes me most is clause 7 which says:

"No sacramental marriage solemnised after the commencement of this Act shall, after it has been completed, be deemed to be, or even to have been, invalid merely by reason of one or more of the following causes, namely:

(a) that the parties to the marriage do not, or did not, belong to the same caste."

I submit, Sir, this takes away Clause 4 (b) absolutely. Sub-clause (b) of clause 7 says:

"that the parties belonged to the same *gotra* or had a common *pravara*."

Whereas sub-clause (c) of clause 4 says:

"... they must not belong to the same *gotra* or have a common *pravara*."

In this way, Sir, clause 7 (b) nullifies clause 4 (c). Sub-clause (c) of clause 7 further says:

"unless there was force or fraud that the consent of the bride's guardian in marriage to the marriage was not obtained."

This means that even if the minor girl under 16, if she has not obtained the consent of the guardian and if she is married, the marriage is to be deemed to be valid. This means that the present measure explicitly encourages intercaste marriages, *sagotra* marriages, and thirdly what I would call "free love" marriages.

[Babu Baijnath Bajoria.]

I cannot understand this question of *factum valet*. They say that if a marriage has taken place, the position of the girl becomes very awkward and, therefore, something must be done for her. First of all such cases of negligence or error on the part of guardians are and will be very very rare indeed because when a marriage is to be solemnised, the first thing which the guardian of the bridegroom asks the guardian of the bride is "what is your *gotra*, what is your caste." These are such elementary principles of a sacramental marriage that it is impossible to understand how a mistake can be made. And even if a mistake is made you must punish the guardians for it. Instead of doing that what you are doing is to validate these marriages unconditionally. This question of *factum valet* appears only in the explanatory notes; it does not appear at all in the Bill itself. So, now according to the Bill if a marriage has taken place it must be deemed to be valid. If that is the intention of the authors of the Bill the best course is to delete all these provisions from clause 4. Some people say, what is the harm? There should be inter-caste marriage. And my Honourable friend, Mr. Deshmukh, even at the age of 65 is after *sagotra* marriages. *Sagotra* marriages should not be held valid under sacramental marriages. As regards inter-caste marriages the House will remember that Dr. Bhagwan Das brought in a Bill before this very House to validate these marriages among Hindus and this very Government opposed that Bill. I also opposed it and that Bill was thrown into the dust-bin. What has happened during these few years to change the views of Government so radically? I made a lengthy speech at that time and I think that convinced the House. I will refer the House to that speech and if they will take the trouble to read it I think they will again be convinced. I will only say that according to Hindu Shastras inter-caste marriages are forbidden altogether. *Anuloma* marriages were allowed, i.e., a Brahman could marry the daughter of a Kshatriya, Vaishya or Sudra, but not *vice versa*. But these also were allowed during *Satyayuga* and *Tretayuga* and *Dwaparyuga* but not in *Kaliyuga*. These marriages are expressly forbidden and the children of such marriages are termed *Varnashankara*; and a good deal has been written about the harm that will accrue to society by having *Varnashankaras*.

Then as regards *Sagotra* marriages I will be very brief because I have to speak on many topics. *Sagotra* marriages also are totally forbidden and it is very repugnant to Hindu society. I have spoken to many people including many women and the idea was nauseating to them. Our Shastras say that the issue of a *Sagotra* marriage is a *Chandala*, i.e., a man of the lowest caste who helps in funerals. Sir, I shall, with your permission, read one verse from Manu to prove that a *Sagotra* marriage is absolutely forbidden:

"*Asapindatha ya matuhu asagotrashcha ya pituhu
Sa prashasta dwijateenam dar karmani maithune.*"

Which means that for the twice-born, i.e., Brahman, Kshatriya and Vaishya the wife should not be of the same *sapinda* from the mother's side and should not be of the same *gotra* from the father's side. There seems to me to be no reason for validating such marriages as is sought to be done in clause 7. For people who want to perform *sagotra* marriages or inter-caste marriages or any other sort of marriages, there already exists the Special Marriage Act and there is no need to bring them within sacramental marriages. As regards this question of error much capital has been made in the explanatory notes by quoting Sir Gurudas Banerjea. So far as errors are concerned, the Shastras explicitly mention that in case of such error the husband must give up that wife but must maintain her like a mother. But if Members of the House think that it is a difficult thing and she does not want to be treated as a mother but should be treated as a wife, I am even prepared to give them the liberty of marrying under the Civil Marriage Act. In that case there will be no hardship. But you cannot have a sacramental marriage without the sanctity which is due to it. If there is an error first of all those who have committed that error must be punished. Instead of that they go scot-free and you make the marriage valid. There is no sense in it. If the couple want that they should live as man and wife they may

be given the liberty of marrying under the Civil Marriage Act and that will be a legal marriage though not a sacramental marriage.

Now, I will speak about free-love marriage which is allowed under this Bill. Under sub-clause (c) of clause 7 even if no consent from her guardian is obtained, a girl can marry. That is to say, suppose any Hindu belonging to any caste elopes with a girl of the same or another caste or of the same or another *gotra* and of any age. The ceremonies which this Bill considers essential for a sacramental marriage are (i) invocation before a sacrificial fire and (ii) *saptapadi*. According to me these are not sufficient essentials. What they have to do is to elope, go to some place, have some fire in a pot and just go round it several

times, and the marriage is complete. And such a marriage will be considered sacramental. It passes my imagination, Sir, where such a marriage is defined as sacramental. I think even the Law Member will agree with me that such a marriage cannot be called sacramental. But his Bill allows it. I have already exposed the futility of this Bill and if the Honourable Member agrees with me on these points, I am sure he will not tolerate a Bill of this nature.

Now, Sir, about ceremonies: Clause 5, as I have already said, lays down two ceremonies which are essential to the validity of a sacramental marriage. They are: (i) invocation before the sacred fire; and (ii) *saptapadi*, that is, the taking of seven steps by the bridegroom and the bride jointly before the sacred fire. But what about *Kanya dan*? Without *Kanya dan* there cannot be any sacramental marriage. The girl must be given away by her guardian to her husband as a gift. I personally think that the omission of this provision cannot be an accidental error; there must be some ulterior motive behind this.

Dr. P. N. Banerjea: Has the Law Member got any ulterior motive?

Babu Baijnath Bajoria: No. I have already exonerated him, because he has acted as a post office. It is the Rao Committee which is responsible.

The Honourable Sir Asoka Roy: But still you want to see me out of office.

Babu Baijnath Bajoria: I don't want to see you out of office, but I want that the Bill be so much delayed that your term of office may expire.

Sir, there are several other essentials to the validity of a sacramental marriage, and it will be impossible to define them in this Bill. For instance, there must be a priest—no mention is made here of that. Then lineal ancestors of the bride and of the bridegroom—*vamsavali*—have also to be recited, i.e., that the bridegroom is son of such and such, grandson of such and such and the bride is daughter of such and such and grand-daughter of such and such and so on. There are so many rituals which have to be performed and this Bill does not make any reference to those. The definition of sacramental marriage, as it is given here, is simply a farce. The authors of the Bill think marriages of all kinds must be permitted but polygamy must be abolished. In their opinion that is one main thing which must be done, otherwise the Hindu Society is doomed to go to pieces.

Coming to *sapindas*, I must thank the members of the Rao Committee for at least they have retained this restriction. But, unfortunately, here again the definition of *sapinda*, as it is given in the Bill, is absolutely wrong. It says 'five generations on the mother's side and seven generations on the father's side', and then again it goes on 'mother's father's mother's father' will also be *sapinda*. Who says that?

An Honourable Member: Law Member.

Babu Baijnath Bajoria: After father and mother, it must be father, grandfather and great-grandfather and so on, and mother's father's father's father and so on, but it cannot be father's mother's mother's mother. An illustration is given here:

"A is the son's daughter's son's daughter of C, who is the mother's father's mother's father of B. Here C, the common ancestor, is the fifth generation from A in the father's line and the fifth generation from B in the mother's line. A and B are *sapindas* of each other."

[Babu Baijnath Bajoria.]

As I have already said, Sir, it is a jurist's explanation; it cannot be the Shastric or the pandit's explanation. In the explanatory note it is stated:

"It is not quite clear from the texts or the commentaries whether the computation, after the mother or the father, is to be restricted to male ancestors only or whether it extends to female ancestors as well. G. C. Sarkar appears to think that there is no reason to restrict it only to male ancestors. The illustrations under the definition follow this view."

Sir, there is another clause in this Bill which I have not been able to follow at all. It is clause 23(4). As it is a very small one, I will read it:

"(4) Nothing in this Act shall affect the jurisdiction of a Court to prohibit by injunction an intended marriage arranged by the guardian, if in the interests of the minor the Court thinks fit to do so."

What is the meaning of it? It means that the Court has got an over-riding power to prohibit any marriage whatsoever if it thinks that the bride is minor and the marriage should not be performed. I think that is the meaning of this clause; it gives an over-riding power, a blanket control to the Court in the case of all marriages. Sir, I do not agree with that; nobody will agree to such a thing.

The Honourable Diwan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): That is the law now.

Babu Baijnath Bajoria: I do not think so, Sir. Anyway, I would like to have some explanation about it. Even in the case of Sarda Act if the bride is less than 14 years, there is a provision that injunction may be issued. But here it is a general clause:

"Nothing in this Act shall affect the jurisdiction of a Court to prohibit by injunction an intended marriage arranged by the guardian, if in the interests of the minor the Court thinks fit to do so."

Sir, I do not agree that such unrestricted powers should be given to a Court to prohibit any marriage whatsoever. Such provisions only lead to blackmailing and corruption. When the Sarda Act was discussed here, Sir N. N. Sarkar, the then Law Member, said that this Act comes only into operation when a person complains, either when he wants to extort some money from the bridegroom or the bridegroom's father or the bride's father, or if he has got any grievance or grudge against any of them. The same thing will happen here and I should think in a wider sense. This is not at all reasonable. Sir, if the question of marriage which the Hindus consider to be so sacred is toyed in this way I would rather submit that the best course would be to repeal Hindu marriages altogether. Let it be enacted by Ordinance. Then the Government would not have to come before this House. Let it be settled that all Hindus must be married under the Christian law or they must be governed by Christian law or Muslim law.

Sardar Sant Singh: Why should they be married at all!

Babu Baijnath Bajoria: If the abolition of polygamy is good for the Hindus it is also good for the other communities in this country. Even Sir Sultan Ahmed will have to be much bolder than he is now to bring forward a measure for the abolition of polygamy in his own community. The whole question seems to me, Sir, that it is not that the reformers in India do not realise these things, but by their training, habit and conduct, they take special pleasure in polluting the sacred laws and wounding the feelings of the Shashtra-abiding Hindus like myself. It is rather unfortunate that Government are now supporting them. Government have thrown to the winds Queen Victoria's Proclamation of 1858.

Sardar Sant Singh: This proclamation died when the Communal Award was given.

Babu Baijnath Bajoria: Sir, I will now come to the end of my speech if only to please my friend, Mr. Joshi. There is one question to which I would refer. If this Bill is going to the Select Committee, as I think it will in spite of my protest, unless better sense prevails with Government, that Committee should consist only of Hindu Members. I do not mean any disrespect to members of the other communities. I am far from doing it. But I think it is only meet and proper that this question which affects Hindus only and in no way affects the interests of Muslims and Christians and European Members.

these latter should not be taken on the Select Committee. They are likely to be misunderstood as I will say frankly and openly they were misunderstood when they went into Select Committee on the Hindu Intestate Succession Bill.

I would repeat the request which I made the other day to the Leader of the Muslim League Party and to the Leaders of the other Parties that only Hindu Members should go in and others should refrain from going into this Select Committee. I will give a few instances—the Shariat Bill, the Wakis Bill and

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): What about Sarda Marriage Bill?

Babu Baijnath Bajoria: In these Bills only Muslim Members were sent to the Select Committee.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): In the Shariat Bill there were Bhai Parma Nand and Dr. Deshmukh.

Babu Baijnath Bajoria: Then I stand corrected, but two wrongs cannot make one right. If there have been wrongs in this matter it should be put right. With these few words, I move for circulation.

Mr. Deputy President (Mr. Akhil Chandra Datta): Amendment moved: "That the Bill be circulated for the purpose of eliciting opinion thereon by the 31st October, 1944."

(At this stage, Sardar Sant Singh stood up in his seat.)

Some Honourable Members: Order, order, Mrs. Ray.

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order. Mrs. Ray.

Mrs. Renuka Ray (Nominated Non-Official): The Bill which has been drawn up by the Rau Committee and which has been before the Select Committee for a whole year after being introduced in the Legislature is one which receives the support of Indian women and of the major women organizations in regard to the main points. As this Bill is incomplete in itself we welcome the move to send it to a Select Committee.

Before I enter into a discussion of the outstanding features or deal with the points that have been raised by Babu Baijnath Bajoria, I should like to answer a challenge that has been levelled against educated Indian women, against those women who have been fighting for the rights of their sisters so that the nation as a whole can progress. They have been called social butterflies: they have been called a coterie of educated women unrepresentative of the country. This is the charge that has been levelled against the women who are today fighting shoulder to shoulder in every field of service—social, educational and political in this country: who today in Bengal are working ceaselessly during the food crisis. They have been called social butterflies. I do not think it is in the nature of butterflies to face serious responsibilities or to think about their duty to the nation. If such women exist, they are the creatures of this man-made system which wants women only to be bedecked, jewelled up, the pleasure things of man, with no ideals, rights or responsibilities.

Then we have been called a handful of educated women unrepresentative of the country. I agree that educated women in India are a handful, but I should like to ask that in a country where literacy is only 8 per cent. of the total population, how many men can boast of their sisters, what right, are to be denied the right to voice the grievances of their sisters, what right, I ask, even the Members of this Legislature have to make laws which have far reaching effects on the nation as a whole. These arguments are being advanced even in this House and that is why I have to refer to them. It is the paucity of arguments of those who oppose changes which makes them advance such arguments against the women of India.

Now, I will go into the outstanding features of the Bill. This is a motion to refer the Bill to select committee and unlike my friend, Babu Baijnath Bajoria, I will not enter into details, I will only discuss the main principles of this Bill.

First of all, the Bill deals separately with sacramental and civil marriages. In regard to civil marriage, my friend, Babu Baijnath Bajoria, has gone into

[Mrs. Renuka Ray.]

very great detail but there have been no changes made in the existing law in regard to civil marriage: it is merely a restatement of the present position. It merely removes a few anomalies and it is only a necessary corollary to a comprehensive code and there is no revision of the law, and so there is really nothing to discuss in it.

Babu Baijnath Bajoria: What about the revision of sections 22 to 26 of the Special Marriage Act.

An Honourable Member: Do not interrupt.

Babu Baijnath Bajoria: I shall not interrupt.

Mrs. Renuka Ray: I would not go into this matter at all, because it is a matter of detail which we can go into in Select Committee; but I will answer one argument he has brought forward, if the Honourable the President will allow me; and that is this: he said that the Hindus who are married under the Special Marriage Act are not Hindus. Sir B. L. Mitter, the Advocate General of India, has said that "they are Hindus—they may be called protestant Hindus if you like, but they are Hindus". They believe in the Hinduism of the Vedas, and not in man-made rules which can surely be changed by man.

I will take the main features in the sacramental marriage. The first feature is, of course, the enforcement of monogamy. I hardly think that it should be necessary in the 20th century to support this clause and even Babu Baijnath Bajoria himself says that he supports it, although later on he made certain points which do not show that he really supports it. Now, the framers of the Bill have said that "neither party must have a husband or wife living at the time of the marriage". If we go back to the ancient times, as Babu Baijnath Bajoria himself pointed out, monogamy was the rule, and polygamy an exceptional circumstance. There were certain legal justifications in those days, necessary for a man to marry a second wife; but these justifications do not exist today.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

That is the first point I want to make—that Manu; and even before Manu, mutual fidelity in marriage has always been enjoined in Hindu law and in the Hindu shastras. I do not understand how this fidelity can be considered to be only a one-sided affair. I do not want to say—and it would indeed be a gross exaggeration and false propaganda for any one to say—that polygamy is common in India, or that it is the common fate in store for most Hindu women. That is not true. Polygamy is rare; but at the same time wherever a man wants to take advantage of it, this loophole is there; it is in the statute book and they can take advantage of it. What is the fate of the woman who has to go to law for redress? I would like to ask members of this House, what right does law allow them? The only right that the law allows a woman whose husband marries a second time without her consent and with no justification, is that of living in the dwelling house and of maintenance. Can the Honourable Members of this House contemplate such a fate for their own sisters and their own daughters with equanimity and can Hindu society tolerate this sort of injustice any longer? The integrity of the Hindu family is considered of paramount importance. There are many who would say that divorce or any dissolution of marriage is against and is abhorrent to their principles; and yet the man is allowed to disrupt his family without any cause whatever, with no justification; and the only justification that was needed in ancient times is not needed today. I would like to sound a note of warning to those who consider themselves the custodians of our moral virtues, though polygamy has become rare in Hindu society, there has been a distinct rise lately: in every province. Ever since the All-India Women's Conference started its agitation against the disabilities, that women suffer in law, they have received scores of letters from women giving most pathetic stories of their own lives after their husbands had married again. I had more than one woman coming to me recently, and saying "If you like, we are willing to appear before the

members of the Legislature and to tell them our own stories". I have had letters from members—even men have written—to say that in recent times, men who have been getting Commissions in the army or new jobs and who want to live in more modern or perhaps anglicised ways, are discarding their first wives and marrying again, for no better reason but that they are not educated and they are not adequate companions. Instead of educating their wives they marry a second time. Unlike Babu Baijnath Bajoria I do not for a single moment hold a brief for these women who knowingly become second wives of such men; but I do think that it is our duty to represent these less fortunate sisters of ours, whose fate, through no fault of their own, is worse than widowhood.

Now, it has been argued by some that if monogamy comes in there will be greater immorality. I want to ask—can immorality and infidelity become moral virtues because they are given legal sanction? I do not think I will dwell longer on this aspect of this case, because I really do not think any Hindu who really wants the good of Hindu society can possibly object to this provision in the Bill. The Bill has made no provision for dissolution of marriage on any ground. I do not want to advocate light divorces. That is not our standpoint; but if those reasons for which a man was allowed in olden days to marry a second wife are made reasons for grounds of dissolution of marriage and those reasons apply to a man and woman equally, we would certainly advocate this. But we do not think that there is any reason for continuing to have polygamy in Hindu society.

In regard to restrictions on caste and caste barriers the framers of this Bill have been very cautious and very slow in their approach—very conservative in fact. They have made a certain concession, that once the marriage is solemnised then if the two parties belong to different castes or the same *gotra* or *parvara*, it may not be called in question. This concession has only been made for the case of girls who are married by mistake of their guardians. But I wish and this is the wish of the representatives of the women's organisations also, that the framers of the Bill would have gone further. Those who believe in progress, who want Hindu society to be built on solid foundations in the present, as it was in the past, want that these barriers should be broken once and for all. They are not only totally against the democratic ideals for which we are striving today, they are not only out of gear with the economic necessities of present day India, but they are really the greatest stumbling block to the unity that we desire so ardently. I felt almost a momentary despair for my country when I heard Babu Baijnath Bajoria talk in such scathing terms about *Domes* and *Chandals*, who are his own fellow countrymen, apart from being fellow human beings. Any way I know that his voice does not represent the India of to-day.

Sir, India as well as the rest of the world is thinking in terms of post-war reconstruction. India hopes for a post-war world wherein under a free and National Government she might be able to go ahead in economic and social matters and this will be the basis of her future prosperity. In the new economic structure a decaying and outworn system of laws can find no place whatever. All rational Hindus want to preserve all that is best, all that is finest and most intrinsic in Hindu law, but if blind prejudice gets the uppermost, it will become very difficult to preserve it because in the force of circumstances along with the bad all that is good will get ruthlessly swept away. Hindu law, if it is to be preserved, must get rid of the deadening influence of outworn customs which like weeds are choking up the very life springs of Hindu society. Those who to-day want to bind and fetter the Hindu law will one day be responsible for its complete disintegration. Hindu law has always changed with changing times and circumstances. Those who are to-day opposing everything, even changes which are in entire conformity with the ideals of Hindu society are going to be really responsible for its future disintegration. My Honourable friend, Babu Baijnath Bajoria, spoke a great deal about the will of the people. I have said before in this House and I maintain here, that if a referendum is taken to-day, if by any means the informed will of

[Mrs. Renuka Ray.]

India, particularly of Indian youth, is obtained, we will find that they will not support these partial reforms only; they will go very much further. The only method that we have to-day of finding out what the people think is through the press. The press in India, in spite of many obstacles, have continued to portray the will, and the desire of the people, and they have given their full support to these reforms.

I am sorry that I have taken so much time of the House

Honourable Members: No, no. Go on.

Mrs. Renuka Ray: Before I conclude, I should like to inform the Honourable the Law Member of the appreciation of the women of India for his action in reappointing the Rau Committee. It was always our desire that a wholesale and comprehensive codification should take place. Now, when this Bill comes back from the Select Committee and has been considered by the country, and so also the Intestate Succession Bill, and a whole comprehensive code is ready to be enacted, it will be much better that it all comes in together. This Legislature can then enact an entire code which, while deriving its authority from our ancient laws, will yet be in conformity with our times.

Sardar Sant Singh: After the eloquent speech of the two speakers that have preceded me

An Honourable Member: Only Hindus are allowed.

Sardar Sant Singh: and the exposition of Hindu law as given by my Honourable friend, Babu Baijnath Bajoria, on which I congratulate him, it is not for me to speak at length. I will refer only to the provision which relates to the two kinds of performance of marriage as given in the Bill. I only want to bring to the notice of the Honourable the Law Member and also of the other Members of this House, the serious difficulty I find myself in and I hope that the Committee, which is proposed to be constituted for consideration of this Bill later on, will look into it. Firstly, in the Bill I find that there is no definition given as to what the expression, "Hindu" means and the communities affected by this Bill. That is point No. 1. Clause 5 lays down two ceremonies which are essential to the validity of a sacrament marriage. I just want to inform the House that the marriage system prevailing among the Sikhs to which the Validating Act, Anand Marriage Act of 1909, gave sanction, is not mentioned in this Bill at all. In section 2 of the Anand Marriage Act of 1909, Act VII of 1909, it is enacted that:

"All marriages which may be or may have been duly solemnized according to the Sikh marriage ceremony called 'Anand' shall be, and shall be deemed to have been with effect from the date of the solemnization of each respectively, good and valid in law."

Under clause 5 of the Bill, as it stands, I am afraid it may have the effect of throwing doubts upon marriages performed according to Sikh rites as validated under Act VII of 1909.

Mr. Lalchand Navalrai: That Act is not repealed by this Bill.

Sardar Sant Singh: I never said that, I never used that expression. Probably my Honourable friend, the Law Member, thinks that clause 8 of the Bill which refers to civil marriages and which reads:

"A civil marriage may be contracted under this Act by any person professing the Hindu religion with any other person professing the Hindu, Buddhist, Sikh, or Jaina religion upon the following conditions, namely:—", covers the case of Sikhs. In this clause the Sikh community is mentioned separately, but reading it with clause 4 it is doubtful whether it covers the validity of the marriage ceremony known as Anand Marriage prevailing in the Sikh community. Clause 4 says:

"A sacramental marriage may be solemnized between any two Hindus upon the following conditions."

Here the words are: "any two Hindus". It is a fact that among the Sikhs and among the Hindus intermarriages are very common. We have the same *Bandas*, *Gotras* and castes, there is difference only in our profession of religion. It is a very common thing that a Sikh family marries into a Hindu family and *vice versa*. Therefore, there is an obvious lacuna in the Bill. I will ask;

therefore, that before this Bill is finally reported on by the Select Committee this aspect of the question should not be lost sight of and the provisions of the Anand Marriage Act should be kept in mind by the Members of the Select Committee. For this purpose, I will suggest that in the proposed Joint Committee there should be Sikh Members so that they may be able to present their point of view before the Joint Committee.

Mr. Ananga Mohan Dam (Surma Valley, cum Shillong: Non-Muhammadan): The study of physical science has developed in us a predilection for mechanisation and uniformity. We want to see a rigid uniformity in our activities forgetting that progress and development are not inconsistent with variation and diversity. But the Hindu Law Committee seems to think that uniformity is the only way of social and national progress. Hinduism is not a definite dogmatic creed like Christianity or Islam but a vast complex subtly unified mass of spiritual thought and realisation. Its tradition of Godward endeavour of the human spirit has been continuously enlarging through ages.

Other religious systems start with this or that particular experimental datum but Hindu philosophy of religion starts from and returns to an experimental basis and this experimental basis is as wide as human experience itself.

Every other religion of the world depends upon the life or lives of some personal founder or founders. Christianity is based on the life of Christ. Muhammadanism is based on the life of Muhammad. But Hinduism is based not upon persons but upon principles. Sri Krishna is not the authority of the Vedas but the Vedas are the authority of Sri Krishna himself.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official): What do you know of Islam, to enable you to compare it with other religions?

Mr. Ananga Mohan Dam: I understand its general features. The glory of Sri Krishna is that he is the greatest preacher of the Vedic principles. Hinduism is based on fundamental universal principles with enough scope for details of variations.

The Hindus have got a hoary past at the back and we should look back and drink deep at the eternal fountains that are behind. According to Swami Vivekananda, to the Hindu mind there is nothing higher than the religious ideal. That is the key-note of the Hindu life. It is not only true that the religious ideal is the highest ideal. It is the only possible means of work. Work in any other line, without strengthening this, would be disastrous. Our life blood is spirituality. When the life blood is strong and pure, no disease germ can live in that body. If it flows clear, if it flows strong and pure and vigorous, everything is right. Political, social and any other material defects will be cured if that blood is pure. Hence in every reform, political or social, we should have our gaze fixed on our national ideal of spirituality.

Hindu law as enunciated by our *srutis* and *smritis* are very elastic and allow enough scope for new developments in accordance with the variable conditions of time and place. It can adjust itself to the growth of public opinion. (*An Honourable Member:* "Come to the Bill itself".) Yes. I am coming to that. It can adjust itself to the growth whenever necessary. But the codified law is bound to be rigid and will require the help of the Legislature for its amendments at every step. If the Law Committee expects that this codification will bring finality to Hindu law, I think they are expecting too much.

Sir, Hindu law has been administered in India for thousands of years without a uniform code applicable to all parts and in this respect it can be compared, according to veteran lawyers, to the great Common law of England, which still governs principal subjects of every day life like contracts and torts. The English society does not find the administration of this uncoded law difficult and uncertain. If certain changes here and there in Hindu law are found necessary, they can be introduced by special legislation rather than by comprehensive code. In a vast continent like India, with innumerable differentiations of caste and sects and usages and various administrative differences in the

LEGISLATIVE ASSEMBLY

Monday, 6th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir. Abdur Rahim) in the Chair.

MEMBERS SWORN:

- Mr. Nivarty Sundaresan, M.L.A. (Government of India: Nominated Official);
Mr. Kewalram Lalchand Punjabi, M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

GOVERNMENT AGENTS FOR PURCHASE OF FOODGRAINS, ETC.

309. *Mr. Govind V. Deshmukh: Will the Honourable Member for Food please state:

(a) how many agents Government have appointed to purchase wheat, food-grains, foodstuffs, such as ghee, etc.;

(b) the names and areas allotted to these Government agents for such purchases;

(c) the terms settled by Government with these agents for purchases they are to make for them;

(d) the quantities purchased by each of these agents from the 1st January, 1943, to the 31st December, 1943, and the value of such purchases; and

(e) whether any advances are made to any such agent or agents by Government for purposes of such purchases as he or they are entrusted with, either in addition to or merely for taking deliveries of such purchases, or before the Railway receipts are received by Government?

Mr. K. L. Punjabi: (a) The purchase of foodgrains in India has been entrusted to Local Governments. There are no agents of the Government of India for this purpose except in the North West Frontier Province where purchases of surplus foodgrains, mainly barley are made by one agent operating on behalf of the Government of India. For the purchase of *ghee*, the Government of India have appointed six agents and for the purchase of tea one agent.

(b) and (d). A statement is placed upon the table.

(c) The agents acting in the best interests of Government as regards price, purchase *ghee* of a quality, which after blending at a Government *ghee* heating centre, will produce blended *ghee* up to the RIASC specification. They are paid by Government the cost of *ghee* which they themselves pay to the sellers. Tins are supplied by Government. For maintaining adequate establishment, technical staff for financing purchases and as contingency and buying remuneration, the Government pays the agents about Re. 1/2 per maund of accepted *ghee*. All other expenses, such as *mandi* charges, octroi, terminal tax and export duty are paid at actuals.

As regards tea, its cost, blending charges and packing charges are paid at actuals. The terms of remuneration to the agent, are Re. 0-6-3 per 100 pounds for the first 4,000 tons and Re. 0-4-0 per 100 pounds for quantities in excess of 4,000 tons.

(e) No, Sir.

[Mr. Ananga Mohan Dam.]

Native States and British India, it is extremely difficult to have an ideal code applicable to all denominations of Hindus in all parts of India. Even in the different States of the United States of America, there are conflicts of law in matters of marriage and divorce. So codification cannot be expected to bring uniformity in diverse systems of Hindu law as is proposed by the Hindu Law Committee.

Sir, before going into the details of the Bill

Dr. P. N. Banerjee: You cannot go into the details. You ought to confine yourself to the principles.

Mr. Ananga Mohan Dam: Yes, after finishing my preliminaries. I must refer to the general objections. The initial objection to such a Bill is that a legislature composed of Hindus and non-Hindus is not competent to legislate on religious matters which are inherent in our social customs and rites. A Hindu has to pass through ten *samskaras* or sacraments and the marriage is the most important of them and all Hindus, high and low, are entitled to it. Our marriage laws are based on religion which stands on revelation. Here I shall quote a competent authority to support what I say about the incompetency of the present Legislature. The authority is Dr. Hermann Finer, the well known authority on Politics:

"It is impossible for the ordinary institutions of Governments to penetrate into the depths and master the complexities of any modern branch of society and law without the special aid of those to whom the matter is one of lifelong and intimate acquaintance, and to whom all things are revealed, owing to the vital quality of their interest in the result."

Then, Sir, there is another authority—the Theory of Modern Government. Vol. II, p. 753:

"The above view is also endorsed by Sir Arnold Wilson, who, in an article entitled 'The Church and State', which appeared in the *English Review* (January, 1933) quotes the view of Lord Hugh Cecil and says:

"He would exclude the laity from discussion of the mystery of sacraments, which belongs to Bishops and subordinates to the clergy. He would permit no intrusion by the laity on the stewardship of the mysteries of the Gospel. It was from the same principle as enunciated above that even in England, materialistic as she is, a separate body of experts was formed under the 'Church of Assembly Act' even as late as in 1919 to deal with matters of religion."

Sir, the Bill has not been circulated properly to various organisations and no mention of this is found in the Government *communiqué*. It was not given to the various journals of the country. The Bill was published only in the Government Gazette to which outside public has little access. The Judicial Secretary to the Government of Bengal says that the Bills were published in English in the Calcutta Gazette of the 18th June, 1942, but they were not translated into any other language.

So far as Assam is concerned, competent professors of the only Sanskrit College and renowned Pandits of the district of Sylhet were not consulted. As the House knows, there is a Government Sanskrit College in Sylhet which is the only College of Assam. Besides, the time selected for the consideration of this Bill is highly inopportune. We are passing through the critical days of war and every man has been at pains to find his necessities of life and he cannot be expected to give time to the thought of higher and complex problems of social progress and organisation. It is but meet and proper that such measures of law should be introduced at a time when people are in peace and when they can thoroughly think about the future organisation of their country in comparison with the laws and institutions which prevail in other countries. It is not at all possible for the Hindus of the present day India to think of these serious things when they are living from hand to mouth and are confronted with new problems every day of their life.

Coming to the merits of the Bill, I say that the Bill introduces a change in the sacramental marriage. It proposes to abolish polygamy and the reformists in their zeal say that this is a monumental reform. May I ask where is polygamy in Hindu society in such an enormous extent that it requires a drastic legislation? Even the reformists say that Hindu marriages except in rare

cases are monogamous. Neither the Sastras nor the Society approve, tolerate or recommend bigamy in normal circumstances. There may be some cases where the taking of second wife becomes a necessity. The Committee have mentioned some cases but they have dismissed them summarily. There is a provision that a son-less husband should re-marry. In the case of adultery, the woman continues to be the wife of the husband but she becomes unfit for the religious acts which are enjoined to be performed in company with the wife who must be a chaste woman. In such cases, the husband is to take another wife.

Sir, the cardinal principle of Hindu marriage is:

"*Putrarthē kṛiyate bhāryā Putra-pinda prayojana.*"

Man should marry for having a son and a son is needed for his spiritual benefit. When the wife is vicious or a permanent invalid or a barren, the husband has to re-marry in order to have a son, which is the primary object of marriage.

Dr. P. N. Banerjee: What about the husband? If the husband becomes vicious, then what happens?

Mr. Ananga Mohan Dam: Then you will have the new law of divorce. Thus, we see that the Committee is out to kill an imaginary foe which is almost non-existent. Monogamy is good and is highly applauded in our Sanskrit literature. Sri Ramchandra is called:

Ekantari Brahmachari and Maryyade Purushottama.

Most dignified personality and devoted to one wife, Sita devi. The Hindu Sastras give encomium to monogamy but they do not allow it in every case.

Mr. Kailash Bihari Lal (Bhagalpur, Purnea and the Sonthal Parganas: Non-Muhammadan): Why Ramchandraji had to go to the jungle?

Mr. Ananga Mohan Dam: Ramchandraji had to go to the jungle for keeping promise of Dashrath to Kaikeyi. When Ramchandraji had to perform an *Yagnya* he had to make an image of Sita devi in gold because Sita devi was not at his side at that time. Every Hindu husband is enjoined to have his wife by his side when he performs religious rites. Our Sastras say is good but often it leads to undesirable social results. Monogamy is good but often it leads to undesirable social results. This that in order to protect the departed soul, *Sradh* must be duly performed. Therefore, the son-less should take a second wife unless he is senile and the senile and the impotent may adopt sons called *dattak putras*, though they cannot perform *Sradh* and other duties as well as a son of one's own blood. However ideal and desirable the monogamy may be, it is impossible to restrain all nature even where there are provisions for divorce. Polygamy is illegal and monogamy is the law in the Roman system only. Christ, as the subject of the Roman Empire, only registered the existing law for the Christians. In Rome the law of monogamy led to concubinage on a wide scale which had to be recognised by Roman laws. Many historians are of opinion that monogamy contributed to the fall of the Rome. It is no doubt unfortunate for the spouse to fall off from each other's affection and attention. Does the new woman consider a co-wife less bearable than an illegal connection? Would they put up with a straying husband simply for the purpose of inheriting his estate as facilitated by recent legislation? Polygamies are rare among Hindus because the ancient laws never sanctified it without suitable cause.

Mr. President (The Honourable Sir Abdur Rahim): It is now five o'clock. The Honourable Member can continue his speech on the next day when this Bill is taken up.

The Assembly then adjourned till Eleven of the Clock on Monday, the 6th March, 1944.

Ghee.

Name of Agent	Area of Purchase	Quantity purchased	Value
		Tons.	Rs.
1. Alopi Parabad & Sons Ltd., Delhi.	N.-W. F. P., Punjab, U. P., Rajputana, Central India and Gwalior State.	21,253	5,87,22,039
2. Ghee Supply Co. Ltd. Delhi	Calcutta, Madras Province, Mysore State and Eastern States.	8,662	3,06,90,550
3. Ghee Supply Co. (Bihar) Ltd., Delhi.	Bihar Province	1,648	45,36,322
4. Hosseinbhoy Sons & Co., Bombay.	Khandesh and South Bombay Province, Central Provinces and Berar and Hyderabad State.	7,073	2,15,47,648
5. Piloo D. Sidhva & Co., Bombay.	Kathiawar States, Baroda State and Gujerat and Panchmahal.	8,083	2,63,99,078
6. Sind Ghee Purchasing Agency, Karachi.	Sind, Khairpur State and Baluchistan.	67	2,06,092

Tea.

1. Harrisons & Crossfield Ltd., Calcutta.	No particular area has been allotted, but during 1943 the major portion of army requirements were purchased in Calcutta and a small quantity of some 600 tons was purchased from South India.	7,940	1,57,23,200
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Statement showing purchases by M/s. Owen Roberts & Co., Ltd. in N.-W. F. P. from 1st January 1943 to 31st December 1943.

Grain	Quantity in tons.	Value of Purchases
		Rs.
Barley	22399	47,25,175
Gram	1419	3,52,050
Maize	568	1,26,578

Mr. K. C. Neogy: Are ceiling prices fixed by purchase of each of the articles mentioned by the Government in regard to

Mr. K. L. Punjabi: Yes, Sir.

Mr. Govind V. Deshmukh: Do ceiling prices vary from month to month or once in six months or year to year?

Mr. K. L. Punjabi: The prices are revised periodically.

Mr. Govind V. Deshmukh: What is the period?

Dr. Sir Zia Uddin Ahmad: Does it vary every other day?

Mr. K. L. Punjabi: The period varies with the commodity.

Mr. Lalchand Navalrai: May I know if the Government of India have any control by way of supervision over the syndicates and the agents who are appointed by the Provincial Governments?

Mr. K. L. Punjabi: No, Sir.

Mr. Lalchand Navalrai: Do the Government of India have no control by way of supervision and are the agents allowed to do anything they like?

Mr. K. L. Punjabi: The Provincial Governments are the agents and this is a matter for them.

Dr. Sir Zia Uddin Ahmad: Have the Government got any idea about the profits which these agents are making?

Mr. K. L. Punjabi: To which commodity does the Honourable Member refer?

Dr. Sir Zia Uddin Ahmad: Wheat. Have the Government got any idea about the profit which these agents are making at the expense of the Government of India and the consumers of the Provinces?

Mr. K. L. Punjabi: As I already mentioned, we purchase through Local Governments acting as agents.

Dr. Sir Zia Uddin Ahmad: Have the Government got any idea about the amount of profit?

Mr. Govind V. Deshmukh: Do the Government of India know whether the Provincial Governments exercise any supervision or not?

Dr. Sir Zia Uddin Ahmad: Are these Provinces making profits without paying any income-tax?

Mr. Govind V. Deshmukh: Are the Central Government aware whether the Provincial Governments exercise any supervision over the agents engaged in purchasing these things?

Mr. K. L. Punjabi: Yes, Sir, they do exercise.

Maulvi Muhammad Abdul Ghani: Have the Government drafted any rules for the guidance of Provincial Governments in this respect? What is the reason for not giving contracts to Muslims?

Mr. President (The Honourable Sir Abdur Rahim): Next question.

NATIONAL PLANNING COMMITTEE REPORT AND POST WAR INDUSTRIAL RECONSTRUCTION.

310. *Mr. K. S. Gupta: (a) Has the Honourable Member for Industries and Civil Supplies gone through the presidential address of Dr. Bose to the Science Congress? If so, has he noted the portion of it relating to the National Planning Committee with Pandit Jawahar Lal Nehru at its head? If not, why not?

(b) What are the papers in the possession of the Government of India with regard to the National Planning Committee?

(c) Do the Government of India propose to make use of those papers to the best interests of post-war scientific and industrial reconstruction of India?

(d) Is there any Committee constituted specially to explore the possibilities of expansion and improvement of Indian industries?

The Honourable Sir M. Azizul Huque: (a) Yes.

(b) The Government of India have in their possession an abstract of the Proceedings of the National Planning Committee from 1938-40 published in 1940 by the Secretary of the Committee.

(c) The Government of India are ready to consider all suggestions put forward.

(d) Yes. The Reconstruction Policy Committee No. IV on Trade and Industry.

Mr. Govind V. Deshmukh: Do the papers in possession of the Government show that the work of this Committee is complete? If not, will the Government release Pandit Jawahar Lal Nehru to complete this work?

The Honourable Sir M. Azizul Huque: Regarding the first part of the question, the answer is that the work is incomplete. As regards second part, it should be addressed to proper quarters.

INDIAN SCIENCE RESEARCH INSTITUTE.

311. *Mr. K. S. Gupta: Will the Honourable Member for Industries and Civil Supplies please state if there is a permanent Indian Science Research Institute exclusively supported and run by the Government of India? If not, why not? If so, has it been found to be useful?

The Honourable Sir M. Azizul Huque: There is no institution by the name of Indian Science Research Institute. The Government of India support exclusively and run the Forest Research Institute, the Imperial Agricultural Research Institute and the Imperial Veterinary Research Institute. In addition, the Government of India give substantial recurring grants to the Council of Scientific and Industrial Research and the Indian Institute of Science, whose Governing Bodies include representatives of Government among their membership.

MR. J. J. GHANDY'S ADDRESS AT THE SCIENCE CONGRESS.

312. *Mr. K. S. Gupta: Has the Honourable Member for Industries and Civil Supplies gone through the address of Mr. J. J. Ghandy to the Engineering and Metallurgy Section of the Science Congress? If so, has he noted the following remarks about the scientific enterprise in India—"It is a tragedy we are content to utilise the great reservoir of scientific talent that exists in the country for the purpose of maintenance and operation of machines designed and constructed in foreign countries"?"

The Honourable Sir M. Azizul Huque: The answer to both parts of the question is in the affirmative.

SHORTAGE OF FUEL IN MADRAS PRESIDENCY.

313. *Mr. K. S. Gupta: (a) Is the Honourable Member for Industries and Civil Supplies aware that fuel is not available in certain parts of the Presidency of Madras even for cremation purposes?

(b) Is it not a fact that several people go without food for want of fuel in places like Masulipatam in the province of Madras?

(c) Is not this abnormality due to the purchase of fuel for military needs, notwithstanding the most critical conditions existing in the case of civilian needs?

The Honourable Sir M. Azizul Huque: (a) to (c). The Government of India have received no representation from the Government of Madras about the inadequacy of fuel supplies in that Province.

NUTRITION RESEARCH INSTITUTE, COONOR.

314. *Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state when the Nutrition Research Institute was started at Coonor? Is its life made permanent? If not, why not?

(b) When do Government propose to make it a permanent institution? Is the Institution proving useful? If so, does the Institute satisfy the future needs of the country? If not, do the Government of India propose to have more institutes of this kind to serve the growing needs of the country?

(c) What is the annual grant to the Institute?

(d) What is the opinion of the Governing Body of the Indian Research Fund Association about the utility of the institution? Does it recommend a progressive grant for the proper maintenance and improvement?

(e) Is the personnel of the Institute adequate and efficient to run the Institute on modern methods adopted in the United Kingdom and America?

Mr. J. D. Tyson: (a) The Nutrition Research Laboratories were established in 1925. They are maintained by the Indian Research Fund Association which makes a yearly grant for the purpose. While the laboratories have not been declared to be a permanent institution there is no question of their being closed down. Maintenance by yearly grants is in accordance with the normal practice of the Indian Research Fund Association.

(b) There is no proposal under consideration at present to make the laboratories permanent. The laboratories are carrying out useful work which meets part of the country's requirements in nutritional research. Nutritional research is also being pursued with grants from the Indian Research Fund Association in other parts of India. The Indian Research Fund Association is pursuing a policy of further development of such research activities.

(c) The annual grant to the laboratories by the Indian Research Fund Association is Rs. 85,000.

(d) It is believed that the Governing Body consider that the laboratories are doing very useful work. The Association itself makes grants necessary for the proper maintenance of the laboratories.

(e) The staff employed is efficient and their work is on modern lines and compares favourably with work in similar institutions elsewhere.

Mr. Govind V. Deshmukh: Is there no necessity for expanding the work of this Institute?

Mr. J. D. Tyson: That is a matter of opinion.

Mr. K. S. Gupta: Is there a permanent institute for animal nutrition research?

Mr. J. D. Tyson: I did not entirely catch the Honourable Member's question. This is the only institute that there is and it is not on a permanent footing.

Mr. Govind V. Deshmukh: Are the activities of this Institute confined only to research on human food or does it extend also to animal food?

Mr. J. D. Tyson: I believe it deals entirely with food for human beings.

Mr. Govind V. Deshmukh: Will Government take up the question of research on animal food also?

Mr. J. D. Tyson: We will consider it.

ACTIVITIES OF THE UNITED KINGDOM COMMERCIAL CORPORATION.

315. *Mr. T. T. Krishnamachari: Will the Honourable the Commerce Member please state:

(a) whether he has received a letter from the Federation of Indian Chambers of Commerce and Industry, dated the 31st July, 1943, on the activities of the United Kingdom Commercial Corporation;

(b) whether the issues raised therein were considered by him or his Department; and

(c) whether any answer was vouchsafed to the Federation of Indian Chambers of Commerce and Industry in reply to the letter referred to in (a) above?

The Honourable Sir M. Azizul Huque: (a) Yes, Sir.

(b) The issues raised therein are under consideration.

(c) No. But the Federation's letter was a reply to an earlier letter from the Commerce Department explaining the position fully in respect of the United Kingdom Commercial Corporation's activities. In order to avoid interminable correspondence, it is proposed to call representatives of the Federation to a meeting where representatives of the Commerce Department could explain the position further. The necessary statistical and other information is being collected, but as this concerns more than one Department, the collection has taken a little time.

Mr. T. T. Krishnamachari: Can the Honourable Member say today that it is not correct to say that the Corporation enjoys a monopoly of trade in Middle East Countries?

The Honourable Sir M. Azizul Huque: I can say it is not so.

SALARY, ETC., OF THE ECONOMIC ADVISER TO GOVERNMENT OF INDIA.

316. *Mr. T. T. Krishnamachari: Will the Honourable the Commerce Member please state:

(a) the annual salary and other emoluments paid to the Economic Adviser to the Government of India;

(b) the nature of the duties assigned to him;

(c) the total staff employed under him;

(d) the estimated annual expenses on the staff of the Economic Adviser;

(e) whether it is a part of the work of the Economic Adviser to issue a Monthly Survey of Business Conditions in India;

(f) when the June 1943 number of this bulletin was issued; and

(g) when public can expect the July 1943 number of this bulletin?

The Honourable Sir M. Azizul Huque: The annual salary of the Economic Adviser to the Government of India is Rs. 42,000. There are no allowances attached to the post.

(b) For the nature of the Economic Adviser's duties, the Honourable Member is referred to the proceedings of a meeting of the Standing Finance Committee held on the 11th February, 1937, pages 124-125, and to pages 154-155 of the Indian Information Series for the 15th May, 1938. Copies of both these publications are in the Library of the House.

(c) 51, including 8 officers and 14 inferior servants.

(d) Rs. 1,29,000.

(e) Yes.

(f) On the 28th January, 1944.

(g) The July 1943 Number was issued on the 16th February last.

Mr. T. T. Krishnamachari: May I ask the Honourable Member if he thinks that this Department has been doing its duty properly by issuing the June number of its *Monthly Survey of Business Conditions* in February 1944, particularly in view of the fact that foreign periodicals of a similar nature, e.g., from Australia, the issue for September 1943 has come to our hands sometime in January 1944?

The Honourable Sir M. Azizul Huque: I admit that fact but I do not admit the other. War-time conditions in the receipt of returns, on which we have to depend to a very large extent, from some of the reporting offices, as well as printing difficulties as much as pressure of other work in the office of the Economic Adviser have been responsible for this, but every effort is, however, being made to expedite the issue.

Mr. Govind V. Deshmukh: What is the nature of the "other work"?

The Honourable Sir M. Azizul Huque: I have already replied to it.

COMMODITIES EXPORTED BY UNITED KINGDOM COMMERCIAL CORPORATION.

317. ***Mr. T. T. Krishnamachari:** Will the Honourable the Commerce Member please state:

(a) the commodities which the United Kingdom Commercial Corporation have been purchasing in India for export abroad;

(b) in what commodities and to what countries the United Kingdom Commercial Corporation hold a monopoly for export, which is denied to the Indian exporter;

(c) whether the United Kingdom Commercial Corporation have got a monopoly for export of hides to Turkey; and, if so, to what extent it displaces the direct export of hides from this country to Turkey through normal trade channels;

(d) whether the Honourable Member proposes to lay on the table full and complete information in regard to the activities of the United Kingdom Commercial Corporation so far as purchase and export of Indian goods both on private and inter-governmental account are concerned; and

(e) whether the Honourable Member is aware that in the official bulletin of the British Central European Chamber of Commerce (London), for November 1943 in the report of a meeting held in Bradford, which was addressed by the Commercial Managing Director of the United Kingdom Commercial Corporation, the Commercial Managing Director outlined the policy of the Corporation as aiming at keeping open in war-time trade channels, which presented great difficulties to the ordinary trader so that when conditions become more normal, exporters could pick up the lines they have been accustomed to handle; and, in view of this statement, whether similar facilities would be available when conditions become normal to Indian exporters who have been displaced by the activities of the United Kingdom Commercial Corporation?

The Honourable Sir M. Azizul Huque: (a) The principal commodities are jute manufactures, shellac, canvas, tea spices, rope and yarn.

(b) Supplies to Russia, which are largely of the nature of inter-governmental transactions, are handled exclusively by U. K. C. C.

(c) No. The latter part does not arise.

(d) The Honourable Member is referred to the Press Note regarding the activities of the U. K. C. C. in India published on the 6th August 1942 and the Government of India's letter to the Federation of Indian Chambers of Commerce and Industry, dated 28th May, 1943, copies of which are available in the Library.

(e) Government have not seen the bulletin referred to but the Honourable Member's attention is invited to the reply given on 5th August, 1943, to Mr. K. C. Neogy's unstarred question No. 90.

Mr. T. T. Krishnamachari: With regard to part (c), is the Honourable Member aware that the British Consulate in Turkey has definitely said that no

import of hides will be permitted to Turkey except through channels approved by the British Consulate?

The Honourable Sir M. Azizul Huque: I am not aware of that.

IMPERIAL ENTOMOLOGIST AND EDITING OF THE INDIAN JOURNAL OF ENTOMOLOGY

318. ***Mr. Ananga Mohan Dam:** Will the Secretary for Education, Health and Lands please state whether the Imperial Entomologist has anything to do with the editing of the *Indian Journal of Entomology*?

Mr. J. D. Tyson: The Imperial Entomologist is a member of the Editorial Committee of the Journal.

OPPORTUNITY TO ASSEMBLY FOR DISCUSSION OF THE AGREEMENT FOR U. N. R. R. A.

319. ***Sardar Mangal Singh:** Will the Honourable the Leader of the House please state:

(a) whether Government propose to allot a day or days for discussion of the Agreement for U.N.R.R.A. during this session; and

(b) whether Government will abide by the decision of this House in this matter?

The Honourable Sir M. Azizul Huque: The question is addressed to the Honourable the Leader of the House, but I am giving a reply as the subject is the concern of the Commerce Department.

(a) I have given notice of a motion on this subject which I propose to move in the current Session.

(b) The Agreement has been signed subject to the reservation that it shall not come into force with respect to India unless it has been approved by the Legislature.

Sardar Mangal Singh: When is this motion coming up?

The Honourable Sir M. Azizul Huque: It is for the Honourable the Leader of the House to fix a suitable date.

Sardar Mangal Singh: Are you fixing one or two days?

The Honourable Sir Sultan Ahmed: One day.

GENERAL ELECTIONS TO THE CENTRAL LEGISLATIVE ASSEMBLY AND THE COUNCIL OF STATE.

320. ***Sardar Mangal Singh:** Will the Honourable the Law Member please state:

(a) when the electoral rolls of the Legislative Assembly and the Council of State were prepared last; and

(b) whether general elections to the Central Legislative Assembly and the Council of State will be held this year?

The Honourable Sir Sultan Ahmed: (a) The preparation of the current Electoral rolls was completed on dates varying in different Provinces, in the case of the Assembly from the 1st September, 1941, to the 31st October, 1942, and in the case of the Council of State from the 17th January, 1935, to the 23rd September, 1936.

(b) The Honourable Member is referred to my replies to parts (b) and (c) of his starred question No. 27 asked on the 9th November, 1943, to which I have nothing to add.

Mr. Lalchand Navalrai: Why are these electoral rolls prepared periodically when there is no election for this House?

The Honourable Sir Sultan Ahmed: When the Council of State Rolls, prepared in 1935, were approaching expiration, power was taken by the insertion of an additional proviso to sub-rule (4) of rule 9 of the Council of State Electoral Rules to direct fresh rolls not to be prepared pending the making of a fresh direction and a direction that fresh rolls should not be prepared was duly issued. That is so far as the Council of State is concerned. The corresponding provision was not inserted in sub-rule (4) of rule 9 of the Legislative Assembly Electoral Rules which is in other respect identical with the Council of State sub-rule. Accordingly, as required by the substantive part of sub-rule (4) fresh rolls have always been prepared for the Legislative Assembly as each set of Rolls expired, and in the ordinary course fresh Rolls will again be prepared on the expiry of the existing Rolls.

Mr. Abdul Qaiyum: May I know from the Honourable Member when Legislative Assembly Electoral Rolls were prepared for the Frontier Province?

The Honourable Sir Sultan Ahmed: I have no information. I want notice of that question, Sir.

Mr. Abdul Qaiyum: Will you please get that information?

The Honourable Sir Sultan Ahmed: Yes, I will.

UNSTARRED QUESTION AND ANSWER.

INADEQUATE REPRESENTATION OF HINDUS IN AJMER MUNICIPAL COMMITTEE.

97. Bhal Parma Nand: (a) Will the Secretary for Education, Health and Lands please state if it is a fact that in the Census Report for 1931 the population of Hindus in Ajmer was 71,314 and that of Jains 2,942?

(b) Is it a fact that Hindus were entitled to 14 seats out of the 24 total elected seats and were awarded fourteen seats in 1939 in the Ajmer Municipal Committee?

(c) Is it also a fact that Jains in the Ajmer City got themselves enlisted as Jains separate from Hindus in the Census of 1931, and that their population being less than 59 they were allowed four seats out of the fourteen Hindus seats in 1931?

(d) Is it also a fact that Rule 1 of the Election Rules of the Ajmer Municipality was amended in 1942 by the order of the Chief Commissioner, dated the 1st February, to the effect that the Committee should consist of elected ward Members, Hindus fourteen, Muslims eight, Indian Christian one, and one representative of any other community?

(e) If the reply to part (d) be in the affirmative, what are the reasons for the inadequate representation of Hindus in the said Municipality?

Mr. J. D. Tyson: (a) Yes.

(b) Yes, including the Jains.

(c) Jains were recorded separately from Hindus in the census of 1931 as in previous censuses under the census instructions and not at the request or on the initiative of the Jains themselves. No specified number of seats was allotted in 1931 to Jains, nor were there 14 elected seats for Hindus in the constitution of the Ajmer Municipal Committee in 1931.

(d) Yes.

(e) The present constitution of the Ajmer Municipal Committee was fixed by Election Rules framed in 1939 and in fixing the constitution the population of the various communities was taken into consideration. The amendment made in 1942 to rule 1 of the Election Rules did not alter the composition of the Committee, but only clarified the position that the one seat reserved for Europeans, Anglo-Indians, Sikhs, Parsis, Jews, Buddhists, etc. was meant for a representative belonging to a community other than Hindus, Muslims and Indian-Christians for whom separate provision existed.

STATEMENTS LAID ON THE TABLE.

Information promised in reply to a supplementary question to starred question No. 61, asked by Mr. Amarendra Nath Chattopadhyaya, on the 28th July, 1943.

UNSATISFACTORY ARRANGEMENTS FOR ACCOMMODATION OF MEMBERS OF ASSEMBLY AT SIMLA.

Instructions have been issued to the Executive Engineers in Delhi and Simla that they should make it a point to look after the convenience and comfort of the Legislators in occupation of Government residences.

Information promised in reply to starred question No. 183, asked by Sardar Sant Singh, on the 4th August, 1943.

VERIFICATION OF THE BONA FIDES OF SIKHS RECRUITED IN SUPPLY DEPARTMENT.

The procedure laid down by the Home Department for verification of the bona fides of Sikhs has not been strictly adhered to in the past by the various units of the Supply

Department. Instructions have now been issued that in future the procedure should be strictly followed.

Information promised in reply to starred question No. 7, asked by Mr. Amarendra Nath Chattopadhyaya, on the 8th November, 1943.

RECRUITMENT OF GAZETTED OFFICERS IN SUPPLY DEPARTMENT.

(a) and (b). Two statements are attached herewith.

(c) The only case is that of Sir Kenneth Nicolson, Chief Controller of Purchase (Munitions) who is employed in an honorary capacity, but draws an allowance of Rs. 1,000 per mensem in lieu of fees for directorship which he has been obliged to resign. Mr. Nicolson was appointed Chief Controller of Purchase (Munitions) in view of his intimate knowledge of commercial and industrial conditions. He occupied a prominent position in Calcutta business circles.

(d) It is not clear what is meant by "open orders". It is not unusual in the case of certain commodities, e.g., jute, not to call for tenders but to allocate orders to various units of the Industry on the basis of advice tendered by Honorary Advisers. As most of the Advisers are connected with established satisfactory suppliers, it is inevitable that some of the orders so allocated should go to their own firms. There is no question, however, of favouring these firms. The orders placed by the Department on the basis of the advice tendered by Advisers are scrutinised periodically by Government.

(e) The question is vague. The normal methods of procurement adopted by the Supply Department are advertised open tender, limited tender, single tender, and negotiation. All orders placed by negotiation after inviting tenders and on a single tender basis are subject to financial concurrence at every stage. An analysis of the orders placed by the Purchase Branches at Calcutta during the years 1942 and 1943 would involve an amount of work not commensurate with the usefulness of the information so collected, but if the Honourable Member would cite any specific complaint, it will be looked into.

(f) There is no Office at Calcutta under the control of an Assistant Controller of Purchase. There are a large number of junior officers of this designation under the C. C. P. (M). The second part of the question does not arise.

Statement showing the number of gazetted officers appointed in the Supply Department since its inception upto the 15th September, 1943.

Serial No.	Name of Centre.	Number of gazetted officers appointed.
1	Delhi	314
2	Calcutta	459
3	Cawnpore	59
4	Bombay	86
5	Madras	29
6	Lahore	38
7	Kasauli	1
8	Ernakulam	2
9	Muttra	2
10	Kottayam	2
11	Karachi	10
12	Cochin	3
13	Arkonam	1
14	Amritsar	17
15	Shahjahanpur	15
16	Sialkot	7
17	Agra	8
18	Secunderabad	2
19	Ahmedabad	1
20	Jamshedpur	3
21	Ishapore	20
22	Cossipore	11
23	Aruvankadu	12
24	Kirkee	22
25	Ambernath	8
26	Jubbulpore	31
27	Katni	6
28	Muradnagar	5
29	Dehra Dun	3
30	Lucknow	5
Total		1,182

Statement showing the names of provinces, Indian States, etc., from which officers have been appointed in the Supply Department.

Serial No.	Name of Province.	Number of officers.
1	Bengal	177
2	Bihar	19
3	Orissa	3
4	Assam	4
5	Madras	95
6	Sind	22
7	Central Provinces	4
8	United Provinces	57
9	Punjab	142
10	Bombay	60
11	N. W. F. P.	10
12	Centrally administered areas	19
13	Andamans	1
14	Indian States	28
Total		631

NOTE.—The above figures exclude European Officers, I.C.S. Officers, evacuees and officers appointed for short durations only.

Information promised in reply to part (ii) of starred question No. 96, asked by Mr. Muhammad Azhar Ali, on the 10th November, 1943.

RULES FOR ADMISSION TO THE GOVERNMENT OF INDIA PRESS ROOM, AND FOR SUPPLY OF GOVERNMENT PUBLICATIONS TO TRADE UNIONS, ETC.

No specific Rules have been laid down for the supply of *Gazette of India* and other Government of India publications to institutions, etc., Government of India publications are, however, supplied to Libraries and similar institutions at their published price less 25 per cent. discount, if the request is supported by the Provincial Government concerned. Free issues of Government of India publications are also made to such institutions if the Provincial Government agrees to meet the cost thereof.

Information promised in reply to a supplementary question to starred question No. 98, asked by Mr. Lalchand Navalrai, on the 12th November, 1943.

MISBEHAVIOR OF MILITARY TROOPS TOWARDS RAILWAY STAFF AND VENDORS.

Further enquiries have revealed that a fracas did take place between a vendor and some military personnel at Pad Idan station at the end of August, 1943, and that the latter threw on the platform, the foodstuffs which were being offered for sale by the vendor. No report was, however, made to the Railway Administration of this incident and hence no action was taken in the matter.

Information promised in Reply to part (c) of starred question No. 196, asked by Mr. Lalchand Navalrai on the 16th November, 1943.

TICKETS ISSUED FROM DELHI FOR DELHI-AMBALA SECTION RAILWAY STATIONS.

Number of persons killed or injured during the year 1942-43 by falling or jumping out of carriages during the running of trains.

	B. & A.	B. & N. W.	B. N.	Bik. St.	B., B. & C. I.	E. I.	G. I. P.	J.
Killed	17	9	5	1	38	22	33	1
Injured	59	73	39	5	147	42	127	..
Total.								
	M. & S. M.	Mys.	N. S.	N. W.	R. & K.	S. I.	Cl. I	II III
Killed	5	..	3	41	1	11	187	2 2
Injured	56	8	5	140	11	27	739	18 16

Information promised in reply to starred question No. 301, asked by Sardar Sant Singh, on the 18th November, 1943.

INADEQUATE SIKH REPRESENTATION ON CANTONMENT BOARD, KASAU LI.

No, Sir. The representation of the Sikh Community both on the Cantonment Board, Kasauli, and in the services under the Board, as it existed on the 1st November, 1943, was adequate as compared with the Sikh population of the Kasauli Cantonment according to the 1941 census. It was 20, per cent. on the Board and 5 per cent. in the superior as well as inferior services under the Board, whereas the Sikh population is only 4.22 per cent.

Government received a copy of a resolution of the "Sri Guru Singh Sabha, Kasauli", on the subject, but decided that the representation called for no action, as it was entirely a matter of local administration. A copy of this resolution was also endorsed by the Sabha *inter alia* to the President, Cantonment Board, Kasauli, and the Central Command, who would take action, should it be called for. A deputation of the Sikh community did wait on the President of the Board, who considered, after due enquiry had been made, that the above representation was equitable.

Government have, however, recently issued general instructions that, as Cantonments generally follow the procedure prevailing in the neighbouring municipalities a Cantonment Board should, follow the instructions of the Provincial Government regarding communal representation in local bodies when making appointments in their services.

Information promised in reply to starred questions Nos. 40 (a) and 41, asked by Mr. Lakshad Navarai on the 8th February, 1944.

PROPOSED RECRUITMENT OF PREVENTIVE OFFICERS, ETC., IN KARACHI CUSTOMS OFFICE.

No 40 (a).

Class of Post Applied for

Preventive Officer.

Examiner.

Wharfinger.

Serial No.	Applicants' Province or State.	LEGISLATIVE ASSEMBLY														[6TH MAR. 1944]													
		Hindus.	Muslims.	Anglo-Indians.	Indian Christians.	Parsis.	Sikhs.	Total.	Hindus.	Muslims.	Anglo-Indians.	Indian Christians.	Parsis.	Sikhs.	Total.														
1	Sind . . .	90	15	1	2	3	1	112	57	7	..	2	3	..	69	63	29	1	2	1	..	4	39	2	..				
2	Punjab . . .	95	57	..	1	..	..	22	175	31	..	..	..	..	8	61	27	8	..	..	..	..	..	..	..				
3	N. W. F. P. . .	3	3	..	..	..	..	..	6	5	2	..	..	..	..	7	1	1	..	..	..	..	..	..	..				
4	Delhi . . .	6	3	1	1	..	..	..	11	1	..	..	..	..	1	2	..	2	..	..	..	..	..	..	..				
5	Ajmere . . .	4	..	..	..	..	..	..	4	1	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..				
6	Rajputana States .	2	1	..	..	..	..	..	3	1	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..				
7	Kathiawar State .	1	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..				
8	Gwalior State . . .	..	..	..	..	..	..	..	..	1	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..				
9	Kashmir State . . .	2	..	..	..	..	..	..	2	1	..	..	..	..	..	1	1	..	..	..	..	..	..	..	1				
10	Bengal . . .	1	..	..	..	..	..	..	1	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..	..				
		Grand total										315		Grand total										143		Grand total		140	

STATEMENTS LAID ON THE TABLE

847

LOW-SALARIED CLERKS LEAVING INCOME-TAX DEPARTMENT IN SIND.

No. 41.—(a) 37 clerks have resigned from the Income-tax Department in Sind, since 1941, some of them presumably because they were dissatisfied with the scales of pay. Government have from the 15th June, 1943, sanctioned as a temporary measure a higher initial pay of Rs. 40 to future recruits to posts of clerk, Grade II.

(b) Not in all cases. A statement is attached which will give the Honourable Member the information he desires.

Statement showing scales of pay Admissible to the Lowest Grade Clerks in various Government and Semi Government Offices in Karachi.

Name of Department or Office.	Minimum qualification required.	Scale of pay of lowest grade of clerks.	Other allowances if any.
Income-tax Department	Matric	Rs. 30-5/2-80	Karachi Local Allowance Rs. 5 up to 35 7½ " 60 10 " 80 12½ " 140
Comptroller, Karachi	Graduates.	*Rs. 40-2-50 E.B. 5/2-90. 55-5/2-90	Nil. *Revised rates from 1-6-43. Rs. 5 for typist. Rs. 10 for mechanics.
Karachi Custom House Mercantile Marine Department Controller of Supplies	Matric	Rs. 45-45-5/2-90. E.B. 3-105.	Nil.
North Western Railway	"	Rs. 30-2½-50-2-60.	Karachi Local Allowance Rs. 10. House Rent Allowance Rs. 7-8.
Divisional Accountant Office, N. W. Railway.	"	Rs. 30-5-50-5/2-80	Karachi Local Allowance Rs. 10. House Rent Allowance Rs. 7-8.
C. R. E. Sind Dt.	"	Rs. 45-2½-80 E.B. 100 Initial pay now fixed at Rs. 60.	Nil.
Secretariat	"	Rs. 50-5/2-85. Rs. 25-5/2-55-60-5/2-75.	Nil.
Other Local Government offices including Collector's office.	"	Matriculates start on Rs. 30. Graduates start on Rs. 40. Honours Graduates on Rs. 45.	Karachi Local allowance as for the Income-tax Department.
Reserve Bank of India	"	Rs. 40-5/2-75 E. B. 3-105.	Nil.
Post office	"	Rs. 45-45-3-90.	Nil.

Information promised in reply to unstarred question, No. 45, asked by Mr. K. C. Neogy, on the 21st February, 1944.

PRODUCTION OF OPIUM ALKALOIDS AT GHAZIPUR FACTORY.

(a) All rail, postal and telegraphic communications were severed during the disturbances and even thereafter only a skeleton goods traffic operated for several months. As the result of this, booking of coal and other supplies vital to the factory was badly interrupted, some supplies intended for the factory being lost altogether, others being delayed for months.

(b) and (c). No.

(d) It is not possible to state precisely the loss in output as a result of these disturbances but it may safely be stated that production was set back several months as the result.

Information promised in reply to unstarred question No. 56, asked by Mr. Ananga Mohan Dam, on the 21st February, 1944.

ELECTRICITY SUPPLY RATES WITHIN THE DELHI PROVINCE.

(a), (d) & (f). Following statement shows the rates for the supply of electricity for domestic purposes in the various parts of Delhi and Shahdara:

Distributing Agency.	Area of Supply.	Rate for domestic consumption	Rate for domestic power.
Delhi Electric Supply and Traction Co., Ltd.	{ Delhi Municipal area Delhi Fort Civil Station }	0-3-0 less 0-0-3 per unit (discount).	0-1-0 per unit.
New Delhi Municipal Committee.	New Delhi	0-3-6 less 10 per cent. per unit (discount).	0-1-0 per unit.
Cantonment Authority	Delhi Cantonment	0-4-0 per unit.	0-2-6 per unit.
The Upper Jumna Valley Electricity Co., Ltd.	Shahdara	0-6-0 less 0-0-6 per unit (discount).	0-3-6 less 0-0-6 per unit (discount).

(b) and (g). The differences between the various parts of Delhi itself are not such as to call for any special explanation. The higher rates at Shahdara are due partly to the higher rate payable to the generating authority and partly to the fact that the area of supply is small and the service consequently expensive to operate.

• (c) 65 anna per unit.

(e) 0-2-6 per unit

(h) The authorities mentioned are not responsible for fixing the rates, which are determined under the terms of the licence granted to the distributing agency.

Information promised in reply to starred question No. 172, asked by Mr. Lalchand Navalrai, on the 23rd February, 1944.

ASSISTANT INSPECTORS AND ASSISTANT EXAMINERS OF INCOME-TAX, APPOINTED IN THE SIND AND BOMBAY DIVISION.

(a) 64, of whom 55 were graduates. Of the remaining 9, 6 had passed the Government Diploma in Accountancy examination, 2 were matriculates and 1 was a non-matriculate. 13 were recruited from candidates who had obtained qualifying marks in the I. C. S. and I. A. & A. and Allied Service Examinations.

(b) 44 directly and 20 by promotion.

THE GENERAL BUDGET—GENERAL DISCUSSION.

FIRST STAGE

Mr. President (The Honourable Sir Abdur Rahim): The House will now proceed with the general discussion of the Budget. Under rule 46(3) of the Indian Legislative Rules, I fix fifteen minutes as the time-limit for the Honourable Members generally, twenty minutes for Leaders of Parties, and one hour or more, if necessary, for the Government Member to reply.

Sir Henry Richardson (Nominated Non-Official): I understand you to say that the time for Leaders will be twenty minutes and for others fifteen minutes. I think that on previous general discussions, the time has been half an hour for Leaders and twenty minutes for ordinary Members, and Sir, that was on those occasions when there was only one day allotted for general discussion. This time, Sir, two days have been allotted and I would ask you, Sir, kindly to consider how is it possible for Members to voice opinions on the speech which the Honourable Member took two hours to deliver in fifteen minutes. We would ask you please to extend those times to what they were previously, in view of the fact that this time two days have been allotted for general discussion.

Mr. President (The Honourable Sir Abdur Rahim): The Congress Members did not attend on the last occasion when twenty minutes was fixed as the time-limit for Members generally, but I have not the least objection to fixing twenty minutes for Members generally and thirty minutes for Leaders of Parties, if that is the general desire of the House.

Some Honourable Members: Yes, yes. That is the general desire of the House.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammiadan Urban): Personally I am in favour of twenty minutes all round, but if other Leaders agree to twenty minutes for other Members and thirty minutes for Leaders, I would not object.

Mr. President (The Honourable Sir Abdur Rahim): Very well. As it is the general desire of the House, I fix twenty minutes as the time limit for the speeches of Members generally, thirty minutes for the Leaders of Parties, and for the Government Member's reply one hour or more, if necessary.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore cum North Arcot: Non-Muhammiadan Rural): Sir, I am glad to take this first opportunity to address the House on matters somewhat connected with the budget.

Mr. President (The Honourable Sir Abdur Rahim): Entirely connected with the Budget.

Mr. T. S. Avinashilingam Chettiar: The Finance Member in his Budget speech has raised many problems. I shall, in view of the limitation of time, confine myself to a few salient points. Sir, the Finance Member has been very self-congratulatory. He has congratulated himself upon the way in which he has met inflation, upon the way in which he has achieved price controls. Sir, people who are shut up in offices, people who issue orders only, and specially in this country where they really do not come in contact with the public, should be the last to judge the effects of what they have done.

With regard to price control, he has said on page one of his speech: "That a gratifying degree of stability has been achieved and maintained in recent months. The resolute measures of a two-fold character launched by the Government, in the monetary field and in the sphere of control of commodities, have had a distinctly salutary effect on price tendencies."

Let us see, first of all, what the effect of this price control has been. What is the object of price control? In that I hope there will not be any quarrel; rather there would be unanimity of opinion in all sections of the House. The two effects which they wish to achieve are to prevent inflation and to make articles available for all types of people—the rich and the poor alike. Control has been resorted to in the case of numerous articles from essentials, like rice, medical drugs, etc., to non-essentials like shaving blades . . .

An Honourable Member: You mean blades are not essential.

Mr. T. S. Avinashilingam Chettiar: Not at least as essential as so many other articles. Let me tell you, Sir, what the first effect of control of prices has been. Those who are in touch with the public know that every article on which price control has been imposed has disappeared into the black market. It is true even in the case of rice; the worst quality of rice is available, good qualities of rice have disappeared from the market. Even yarn has disappeared into the black market. And this is in the case of such an organized industry as the Textile industry, that it has happened. Sir, I know this because I come from a place which produces a good proportion of yarn in this country and even yarn has gone into black market. In regard to other articles, blades for instance, they were available in the market, but as soon as the Price Control Order was published blades disappeared. Next day when we asked for blades, they were not available. You need not go far away to see that. Go to Connaught Place and ask for watches, ask for umbrellas, you will not get them. Where have all these things gone? To black market.

The Honourable Sir Jeremy Raisman (Finance Member): Has the Honourable Member been able to shave this morning?

Mr. T. S. Avinashilingam Chettiar: I have, but unfortunately we do not always get blades at controlled prices, let me assure you about that. And I won't be surprised if the Finance Member himself pays for certain things beyond the controlled price. In any case, this Control does not help the poor man: the poor man is not able to get rice even. It is the rich, and the influential who benefit by this control. In Madras there are many families who have to go to hotels for their meals because no firewood is available, and there is the Firewood Control Order. But who gets it? Members of Executive Council,

[Mr. T. S. Avinashilingam Chettiar.]

Advisers, rich men, and other influential people, they do not feel any difficulty. The poor man does not get it because of control; what he was getting before he is not able to get today. And so the object of control has been vitiated. There is another point in this connection: These controls are indirectly responsible for inflation also. The extra money that is being paid goes into black market, you may call it 'black money' if you like. Evil effects of this black money are greater than good money. It has got two painful effects: one, of driving money away into secret channels, and, two, of making things not available for the poor man. Things are made available only to the man who has more money and who has influence. Not only this, it has had another greater and a more painful effect which will take a long time to be removed. That is corruption, which it has introduced in public services in this country. Those who read papers know well what amount of cases of corruption are coming to notice. Government officials even civilians, are not excluded; they are going in for a share of bribery. For big merchants, who are making lakhs and lakhs, it is not a very bad job to give a lakh to the Government official concerned. It helps them to make more money. There is no morality in merchants. I mean in earning money. I know every trade in which they have sought to introduce price control there has been bribery of the worst type. Clerks in Government offices have earned tens of thousands. I talk of tens of thousands, but in Northern India it is nothing.

Mr. N. M. Joshi (Nominated Non-Official): Are you for control or against?

Mr. T. S. Avinashilingam Chettiar: I will tell you in the end. I am for control of a better type.

Dr. P. N. Banerjee: No interruptions please.

Mr. T. S. Avinashilingam Chettiar: In this I am sorry to say that some cases were put up in Madras against the poor Tehsildars, against the Deputy Collectors for corruption. When investigation was made certain charges were found against European civilians but those cases were not put up against them. There was discrimination. And this black money the Income-tax Officer never touches and can never touch. The Excess Profits Tax never touches this black money and the result is . . .

The Honourable Sir Jeremy Raisman: Discrimination again!

Mr. T. S. Avinashilingam Chettiar: That is your job. You are brought up in it. So the baneful effect of all this control is that the rich have things at a cheaper controlled price. The poor do not get the things at all. I was talking to some people from Bengal. They told me that rice is available at Rs. 16 a maund. But does the poor man get it? In my part of the country I know that rice is available at Rs. 24 a bag. Who gets it? The rich man. But the poor man, the man in the village, the labourer and the daily wage earner, he gets it at double the price. This is certainly not the object of price control. This is not a state in which the Finance Member can congratulate himself. It has made things more difficult for the poor man and more easy for the rich man. And may I say why these things have happened? The Finance Member has given on page 16 the reasons why control has not been as effective as he wished. He has given all the reasons but the one which he has to. What are the reasons? He says 'the Government is handicapped by difficulties, the nature of which is not always realised'. Certainly how can you, because you are very comfortably off. The Secretary is putting up the notes. He continues, Sir; it is not merely the size of the country and the educational backwardness of the population but a question of capital and personnel'. The Government of India always thinks in terms of personnel and appointments. How many Secretaries they can appoint: how many new departments they can have and how many Executive Councillors they can appoint. They never seem to think about what the people need. You may export into this country all the best officers in the world. I have heard that food experts have been exported into this country. Experts in eating food! They are experts in signing things written by the clerks, and drawing large salaries? What is wanted is this. Unless you get the co-operation of the people in this country, unless you can

make them feel that this price control is for them, unless you can make them feel a patriotic urge, unless you can make them feel that people must deprive themselves for the poor of this country and the world, you will achieve nothing. And if I may say so, it must be a Government composed of people who are themselves sacrificing and patriotic. There must be a moral basis for government, especially to work in a big country like this. We have to bring out the patriotism of the people of the country. That requires a set of people at the head of affairs who can make an appeal to the noblest sense of man. But what is the condition here? The real reason why all this control has failed is that people do not believe that this control is for them. They do not believe that it is for their general well-being. They think that the Government exists for somebody else. I will give you an example.

Sardar Sant Singh (West Punjab: Sikh): Who is the somebody else?

Mr. T. S. Avinashilingam Chettiar: You will see. I will tell you how the people's mind works. I will give you a simple instance. In Coimbatore—I am coming from that place—we have had one of the worse epidemics, plague. People have been dying in thousands in the villages and towns. I am told that there is a pill which is a specific for bubonic plague. Ten thousand pills arrived at the Municipality. Doctors flocked to get something as their share. They were told that they would be given some. When they arrived they asked for it. A wire came along with the pills and they were told that the pills had been reserved for the military. The military, I believe, Sir, exist for the protection of the people of this country, not only against foreign odds.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is travelling over a wide area.

Mr. T. S. Avinashilingam Chettiar: That is control!

Mr. President (The Honourable Sir Abdur Rahim): You cannot bring in everything under control.

Mr. T. S. Avinashilingam Chettiar: What I want to say is that the people do not feel that all the control is exercised for their well-being. Everybody wants to take his share of the profits. That is not the atmosphere in which control will succeed. My own feeling is this. I am reminded of a saying of Sri Ram Krishana. If you have 1, and if you add cyphers to it, the cyphers will have value. But if you omit the 1 and add any number of cyphers, they are all cyphers and nothing more: i.e., if you get the confidence of the people all your acts have value. If you do not have their confidence all that you may do will be of no value. It seems to be a case of each one for himself and the devil take the hindmost. That is the policy which most people are following. For that reason I feel and I think you will see that this control has failed and the Government will succeed—and they must succeed if this country is to prosper—only when a higher appeal is made; for that this Government is not quite suited. You may say this is a matter of economics. What has politics to do with it. He is a fool who thinks that politics and economics are divorced from each other. Economics is the basis of politics. Your present method of control works harder against the poor man than the rich.

I now come to food. Food is a subject of control. It has been controlled so much that lots of people go without it.

Dr. P. N. Banerjee: Millions have died.

Mr. T. S. Avinashilingam Chettiar: I do not want to talk about Bengal because Bengal has been talked about very much. It has been announced by the Bengal Ministry that there is not going to be any famine in 1944.

Mr. President (The Honourable Sir Abdur Rahim): Will the Honourable Member please keep within the field of discussion?

Mr. T. S. Avinashilingam Chettiar: Is not food a matter of control? If I am wanted to keep within the narrow limits of the Budget . . .

Mr. President (The Honourable Sir Abdur Rahim): The principles involved in the Budget.

Mr. T. S. Avinashilingam Chettiar: Very well, food I shall reserve to a later debate.

[Mr. T. S. Avinashilingam Chettiar.]

And now let me come to inflation. On pages 15 and 16 he has dealt with inflation. In these days of paper scarcity he has given us a long speech indeed. On those pages he has detailed the various public borrowings that he has had this year and he has mentioned the 279 crores that he has achieved as against 93 crores of last year. He has said that to a very great extent they were alleviating the inflation. There is no doubt about that but let me tell him that there is another source which he can never touch and which he has never touched and which will worsen inflation as time goes on. The effects of that element will be much greater on inflation. I mean the money which has been received in the country by the black market. Having created the black market and having created corruption, let me tell you that no official has got records of the money that he has received by these means. No merchant has any accounts which he can show to the Income-tax officer and to the E. P. T. man of the money that he has received from the black market. I come from a district which pays a large portion of the E. P. T. Out of 60 crores odd that the Honourable Member hopes to receive this year, if not one-twelfth at least one-twentieth comes from that place. I know other districts also and I know the way of the big merchants here and elsewhere. Let me tell you this that the effect of the E. P. T. has been that a large portion of the profits of the businessmen in this country is in unaccountable funds, funds for which you can never find any account in their account books. They are buried underground or converted into ornaments or converted into something else. And that is a large proportion of the money. The effect on inflation of unaccountable money is much greater than the effect of accountable money, because the accountable money can be invested openly in Government bonds.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member has one minute more.

Mr. T. S. Avinashilingam Chettiar: The unaccountable money he can only spend and spend freely. He can afford to buy petrol at the rate of Rs. 10 a gallon, if necessary, from the black market because he has got to spend the money. The Finance Member has created a system which has created the black market. It is a fact that lots of unaccountable money comes from the black market and because of this unaccountable money he cannot meet inflation.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member's time is up.

Mr. T. S. Avinashilingam Chettiar: No, Sir.

Mr. President (The Honourable Sir Abdur Rahim): Yes it is, The Honourable Member must conclude his speech.

Mr. T. S. Avinashilingam Chettiar: Will you give me five minutes more?

Mr. President (The Honourable Sir Abdur Rahim): I cannot give Honourable Member even one minute more. The Honourable Member ought to know the procedure of the House.

Mr. T. S. Avinashilingam Chettiar: I do not want to say anything more about inflation.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member cannot say anything more about any subject.

Sir Henry Richardson: Sir, we have now had several days in which to study the detailed provisions of the Budget; and I think I may say that, in spite of the unprecedented levels to which receipts and expenditure have risen over the war years, the chief impression which this Budget has left on my mind is its moderation. I do not know whether like a famous statesman of an earlier generation, the Honourable the Finance Member is "astounded at his own moderation".

Mr. President (The Honourable Sir Abdur Rahim): There is too much conversation in the House.

Sir Henry Richardson: But I do feel that having regard to the immense burden which the war has thrown upon this country and the complexity of our war-time financial arrangements, he has shown a forbearance towards the general body of tax-payers, upon which the House may well congratulate him. It is

true, of course, that for the past four years the incidence of taxation has been pressing with ever increasing severity upon a steadily enlarging proportion of the community; and to that extent the margin of taxable capacity, upon which the Finance Member can draw, is equally steadily diminishing. But that does not alter the fact that he has chosen the path of wisdom in making his imposts in this Budget as temperate as possible when, with some show of reason, it might have been argued that now is the moment for an even sharper and more excruciating twist of the screw, with which we have already become painfully familiar.

With the Honourable the Finance Member we in every part of this House rejoice at the growing ascendancy of the United Nations over their enemies, and I should like to associate myself and my Party with the tribute which he paid to the part which has been played by this country in the campaign in North Africa and Italy. If I devote the rest of this speech to matters primarily concerning the Indian Home Front, it is not because I desire in any way to cut short my own meed of praise to British and Indian fighting men, but because a very large part of the Budget statement was inevitably devoted to matters near home. The Finance Member reminded us that at one moment during the administrative year which is now coming to a close, the economic perils which beset the country were as grave as the military threat. I shall have something to say on this point in a moment; but in the meantime we may justifiably draw some satisfaction from the fact that we appear to be emerging from the worst phase of a cycle of deficits. The House will recall that the deficit for 1942-43 has finally worked out at Rs. 112.17 crores. The deficit for the present year is expected to amount to Rs. 92.43 crores, whilst for the coming year, if all the Finance Member's tax proposals are passed into law, the deficit will amount to Rs. 54.71 crores, or rather less than half of the revenue deficit of two years ago. Thus, it would seem that however unwieldy our receipts and disbursements are during this war period, the real trend of the national accounts is towards a fundamental and satisfactory solvency.

I do not pretend any more than any other Member of this Assembly to like new taxation; and I think there are several important respects in which the tax proposals which are now before the House are open to criticism—of which we shall, no doubt, hear quite a lot before this debate is finished. But I propose this morning to confine myself to certain general considerations, which a Budget debate gives Members of the House an opportunity of stating. I have said that I consider the new tax proposals to be of a moderate character so far as they affect the individual. To that I must add, however, that for the very large majority of the tax-paying public the incidence of taxation is now of much less consequence than the tremendously inflated cost of living, and thus, whilst I praise the Finance Member for his forbearance in one important respect, I am bound to warn him that in the long run Government will be judged not by its negative virtues, but by its positive achievements in a field where it is admitted it has ultimate responsibility. For this reason, I confess to some little disappointment at that part of the Finance Member's statement, in which he dealt with the question of civil supplies. If the cost of living is to undergo any appreciable reduction we shall require much more realistic action in the administrative sphere. I hope and I believe that the food situation is in hand. Here, I fear, we may for a long time to come have to conform to the economics of scarcity rather than the economics of plenty; but the policy of equitable distribution, to which the Government of India have set their hand, will do much to relieve hardship, and to even up the burdens of which all should carry a fair share. But I am not so convinced that when we come to look at the consumer goods situation—to use the Finance Member's own words, "the thousand and one consumer goods which have been placed out of the reach of the ordinary man by the anti-social practices of profiteering and hoarding"—I am not so sure that policy and administrative action is producing results at the rate which the serious situation in the country demands. Nor, if I understood the Finance Member correctly, was he prepared to claim anything more than very qualified success

[Sir Henry Richardson.]

for Government in this very important department of action. But I assure him, if any assurance from me is necessary, that the ability of the country to sustain the present burden of taxation as well as to support the heavy loan programme, to which he rightly attaches so much importance, depends in no small measure upon Government's success in preventing any further rise in the cost of living, and in fact in bringing about its progressive decline. No section of the population has a greater interest in this than the middle classes of all communities to whom the Finance Member looks for a very substantial proportion of receipts by way of both loans and taxes.

We are now in the fifth year of the war. Our commitments are probably as high as they are likely to go, and it is perhaps significant that estimated defence expenditure on capital account for 1944-45 shows a drop of nearly one-third by comparison with last year. In saying that I welcome this, I hope I will not be misunderstood; anything that is essential for the security of India and the successful prosecution of the war will have the utmost support of myself and my colleagues of the European Group. But on this occasion we are considering things in their financial context; and we are entitled to applaud every justifiable reduction in expenditure which contributes to the balancing of our budget. And this brings me to a point which I feel it is necessary to stress. Beyond a welcome announcement that it has been found possible to effect a saving of Rs. 1½ crores on A. R. P. expenditure during the coming year, I listened in vain for any further references to retrenchment in the Honourable the Finance Member's speech. It is probably true that all wars are wasteful; but even in war time a good deal of wastefulness and unnecessary expenditure can be avoided, and I claim that it is the duty of every responsible Government to take all the steps in its power to reduce waste to a minimum. I am aware that over a large field, Government's expenditure is scrutinised by Public Accounts Committees, largely recruited from this House; and I have no doubt that the Finance Member welcomes the valuable assistance that they are able to give him.

Dr. P. N. Banerjee: That is *post-mortem* examination.

Sir Henry Richardson: But I wonder if we have not arrived at a stage when a more continuous, purposeful, independent and expert check on waste of all kinds and obsolescence is not called for—particularly in respect of those projects and departments of Government which are purely wartime creations. I will not enlarge further on the suggestion which is not incompatible with fighting efficiency and I commend it to the Finance Member's attention with the rider that whilst it constitutes an issue he will ultimately have to face, any steps towards retrenchment which he may now take will reinforce his main offensive drive which is against inflation.

And now, Sir, having advocated the virtues of economy, I propose to make a special appeal to the Finance Member to exercise his generosity in a way which I do not feel is inconsistent with my earlier plea for a strict supervision of expenditure. Sir, I come from Bengal, and in this House I represent, amongst others, Bengal interests. The calamities which have recently befallen that province, and the fact that more than any other part of India it has borne the physical and economic consequences of the war, constitute, in my sincere opinion, a valid reason for the Finance Member to consider whether he has made provision for Bengal on a scale adequate to her plight, and to which I feel sure his natural generosity would respond. It is true that as a result of tax pool in the coming year, as against Rs. 3.50 crores in 1943-44. The Finance Member has also made provision for special subventions of Rs. 3½ crores in the present year and Rs. 1½ crores in 1944-45. But I ask him for a moment to look at the picture from the point of view of a province which, whatever its administrative or political shortcomings may have been, now finds itself in a position of insolvency which, it might quite well be argued, is the result of conditions over which it had no control. Bengal, Sir, is a part of India, and its finances are no more elastic than those of any other

province. As a part of India, this House has a very real interest in the financial and economic welfare of Bengal, and if we are satisfied that the Province is doing everything she can to tax herself, it is our plain and obvious duty to come to her aid. I do not for a minute suggest that we should give Bengal a blank cheque; and I can quite well see that there may be some difficulty in assessing the precise amount of financial assistance called for in the circumstances. But I suggest that, just as we have found a formula for the allocation of special expenditure as between the Government of India and the other Governments, so it might well be possible in the exceptional circumstances of today to devise a formula to govern the allocation of expenditure between the Central Government and Provinces such as Bengal, whose misfortunes may be highly inconvenient to the rest of the country but are, none the less, largely unavoidable. Speaking the other day in the provincial legislature, a member of the Bengal Assembly, himself a former Financial Secretary to Government said: "Our financial position is broken beyond the remedy of any action which we can in fairness be asked to take". Clearly, Sir, the remedy must come from outside, and in the main it must come from the Government of India.

A moment ago, I mentioned the word inflation and I should like to say how gratified both the House and the country have been to learn that during the past twelve months, no less than Rs. 279 crores have come into Government loans, a sum which represents about half of the total savings during the war period. This is an achievement which redounds to the credit of all concerned, and if I may say so, to the judicious manner in which various loans have been offered to the investing public, of whom, of course the institutional investor continues to be the backbone. But, we, Sir, on these Benches particularly welcome the steady accretion of small savings, not only because they represent a contribution to the sinews of war, but because of their longer term social implications. I am a little doubtful whether the Government of India have fully mastered the art of salesmanship for it is essentially salesmanship in a big way which will bring the small investor into the Finance Member's net—but we believe that they have started exceedingly well and we hope that the good work may continue. I have no doubt, Sir, that we shall hear the theory advanced during the course of this debate that if the small investor is to be expected to buy war bonds, the Finance Member should have spared his tea and coffee in framing his new tax proposals. But that is rather begging the question, for apart from the fact that both tea and coffee enjoy a sheltered market at present, I assume that the Finance Member has brought forward these taxes merely as a war measure only, and to apply to the present high price levels which existing conditions have produced and if it is possible I should like to have his assurance on this point.

Not the least interesting part of the Finance Member's speech was his reference to the problems of international finance and post-war reconstruction in this country, topics which, if I may say so, he invariably handles with a lucidity which adds to the knowledge of the House. It is clear that the implementation of post-war reconstruction plans, particularly those which are designed to further the industrialisation of India, are intimately bound up with the problems of external finance which India will require in substantial quantities in the immediate post-war years if she is to compete effectively for the limited supplies of capital goods which are likely to be available for some quite a long time. Honourable Members, I have no doubt, will welcome the Government's decision to inaugurate a special dollars account, representing part of the dollars accruing from India's exports to the U.S.A., which the Finance Member announced is to be immediately available for India's development purposes after the war. India will need capital goods from whatever source she can get them and the decision to begin to set aside dollars for that purpose is both timely and prudent. As to the actual technique of reconstruction, there are bound to be differences of opinion, and it is probably a good thing for India that there should be; for as a result of hearing every side of the case, India should be able to plan her priorities and her programme on the right lines.

[6TH MAR. 1944]

[Sir Henry Richardson.]

Much has already been said on the subject of post-war reconstruction and there still remains much to say. On this occasion, however, Sir, I am going to content myself by endorsing certain observations which the Finance Member made in this House last Tuesday evening. We are not, Sir, frightened by the magnitude of the figures put forward in this plan or that. But I do support the Finance Member's assertion that the first pre-requisite of reconstruction finance is "a sound financial position both at the Centre and in the Provinces". Neither the Bombay plan, nor any other plan, has any chance of success unless those who work it, and those who are to benefit by it, are willing to accept continuing high taxation and drastic overall controls from the Centre. That is the crux of the matter; and I fear that a country which, it can be argued, has for years been undertaxed might well be somewhat reluctant to make the sacrifices that high taxation and stringent controls involve. We, Sir, of the European Group, supported the Railway Budget, just as we support this Budget, because we believe that if ever there was a moment for making an all out attempt to get on to a really good financial basis for the post-war period, that moment is now. In spite of the fact that the Finance Member has indicated the possibility of an estate duty on non-agricultural income, posterity cannot be left to provide all the finance for post-war reconstruction; and this generation in this country, as in any other, has got to make a beginning. Death duties have been utilised in the United Kingdom to quite a large extent to finance measures aimed at social amelioration, and presumably they will be ultimately so used here. But for the immediate tasks of reconstruction, in addition to her external finance, India will have to find within the country substantial sums of money for a number of years for projects, not all of which will yield an immediate return. The Honourable the Finance Member's Budget for 1944-45 is not only a War Budget but has begun to point the way to a post-war reconstruction and rehabilitation programme, and it is for this reason, amongst others which I have already indicated, that I and my colleagues support the financial proposals which are now before the House.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, this is the heaviest Budget which I have seen within the last 23 years in this House. I think the Honourable Member has not discharged his duties in one respect, which we expected from him, in the right direction. That is retrenchment. We know that in the time of the ex-Viceroy, Lord Willingdon, when the question of deficit came, then he was the first to offer 20 per cent. cut in his salary and the Executive Councilors had agreed to have 15 per cent. cut in their salary and a sliding effect was given to others. That is how the deficit was made up. I expected the Honourable the Finance Member would put up a proposal that the deficit in this year's Budget would be made up in that way by effecting retrenchment in expenditure and by a cut in salaries. I think it is high time that a Retrenchment Committee of this House is set up to go into the question of salaries which are being paid to the older people in the offices or to new people in the new Departments of the Government of India. When the whole country is suffering, I do not think there is any justification for our having a large number of Secretaries, Deputy Secretaries, Additional Secretaries and all these highly paid officers. The Government should set an example by retrenching their staff and by cutting their salaries. I urge upon the Government to appoint immediately a Retrenchment Committee to find out how expenditure can be controlled, because I know the Honourable the Finance Member is powerless to resist the demands made by other Departments, but if he has got a committee to back him up, he will be able to face the other Departments boldly and cut down their expenditure. I suggest that Government officials should follow the principle which they themselves have laid down for landholders and proprietors of buildings. They have said that the rents prevailing in 1939 should not be enhanced, however much the prices

may have gone up. The Government officials themselves should also adopt the same principle, and whatever the nature of their duties may be they must not draw a higher salary than they drew in 1939. I would of course exclude those who are in a subordinate position and draw annual increments but I find no justification for a man who from Deputy Secretary becomes Additional Secretary and draws Rs. 3,500 instead of Rs. 2,500. How has he increased in efficiency in two or three years and what patriotism does he show by not taking a lower salary than he would get? Because Government is run by permanent officials they make rules which are suitable for themselves and ignore others whether they suffer or not. I think this Government should be run by people who have some idea of the country as a whole and can teach the permanent officials to make sacrifices instead of drawing fat salaries.

I am glad the Finance Member has suggested that some savings should be made and defence loan should be taken. I suggest that no Government servant should be allowed to invest anything in a month less than 25 per cent. of his salary on defence loans. I have seen Government officials asking people to invest liberally in defence loans but in their own case, considering the size of their salaries, there is no proper contribution. In their case there should be a forced contribution of 25 per cent. of their salaries, and the lectures which the Finance Member has given to the poorer classes will be beneficial for Government servants and their families also in later years.

I do not think that proper arrangements have been made for evacuees and refugees from Burma and Malaya in this budget. It is extravagant that nearly 3 crores have been provided for evacuees and refugees, all foreigners, when we find that only a crore and a half have been provided for famine relief in Bengal. This shows the mentality of the Government and their sympathy for the poorer classes, and I cannot support this provision of 3 crores. I do not think anybody who has come from a foreign country is entitled to get more than Rs. 30 a month; he is just entitled to a bare living. When our clerks in railway service are recruited on Rs. 30 a month a refugee from Burma and Malaya is entitled only to bread twice a day. And the Honourable Member has not shown how this money is spent. I searched the Explanatory Memorandum to find out how many people are to be benefited with these 3 crores, but I found nothing; and in the budget speech there was very little about it. Then of those people who have come from Burma and Malaya only Indians are entitled to Rs. 30 a month and no more; with regard to Anglo-Burmans and Europeans and Burmese, their share should be borne by His Majesty's Government.

The Honourable Sir Jeremy Raisman: It is.

Sir Muhammad Yamin Khan: I should like to know how many Indians are getting the benefit and the approximate help given. I have received many letters from different people saying that money is squandered and people are getting help through cheating because they say they suffered in Burma when they actually suffered nothing at all. I will not deal with these things now in detail because the time is limited; I will discuss these things on the Finance Bill and also suggest possibilities of making savings.

With regard to military expenditure the Honourable Member has put a very high figure and he has given reasons, but I cannot agree with him. I do not know how the agreement has been arrived at between the Honourable Member and His Majesty's Government and how the shares should be apportioned. He has laid down only two things. He says that India should pay for the forces which are required for the defence of India and—and then he used a very ambiguous expression—which are available in India. There may be a large number of forces available in India; is India going to pay for all that? If troops are imported into India and India is made a base for operations against Malaya and Burma, is India going to contribute for their upkeep if they are available in India? Defence of India is one thing; offen-

[Sir Muhammad Yamin Khan.]

sive operations from India are a totally different thing. We clearly want that proper contribution should be made and also a proper apportionment. This huge sum provided cannot be given like this; at least what has been done is all behind my back and I or my Party cannot take any responsibility for this expenditure.

My Honourable friend says it is an agreement arrived at between the Government of India and His Majesty's Government. I do not know what he means by the Government of India. I wonder if this matter was taken to the Executive Council now composed of eleven Indians. But we were informed by the War Transport Member some time ago that the War Transport Member is the Government of India and his decision is the decision of the Government. If the Finance Member also thinks like that, we cannot support this. We want to know what he means by the Government of India. The decision of Government must be one taken collectively and nothing else can be treated as Government decision. A departmental head may suggest something and some Member may agree with his advice. I refuse to take it as the decision of the Government of India, whatever may be the nature of that decision. I would suggest in this respect that expenditure in connection with all the British Units which have come out to India from time to time and those which were already stationed in India should be borne by His Majesty's Government, and it should not be charged to the Indian revenue, whether those British Units were here before the war or came in later. The object in keeping British Units in India was to maintain internal peace, because Indians were not trusted at that time to maintain internal peace, and for security of India. But now I find that Indian Army has been raised to two million people—formerly the number was about three lakhs—and besides they have proved that they can be trusted, they have fought in the different theatres of war and have proved their worth, and so they can be trusted to look after their own country. Therefore, I say that it is only the Indian Regiments which should be charged to the Indian Revenues and all the British Units should be charged to His Majesty's Government. If this is done, there will be a lot of saving.

Then, Sir, I think that the operations which are going to take place against Japan are, in the main, in the interest of four countries: It is in Burma's interest because you are fighting to free Burmans from Japanese subjugation—they come in first; it is in the interest of China who want that Japan, who is violating their country, should be brought to her knees; then there is the United States of America, and last but not least is Australia which is threatened from Japanese bases so close to that country. Then, Sir, there is the British Empire—not India alone—which is interested. If India drives away the Japanese from near the borders of India, it will mean that the enemy is driven away from many other countries also. And who is going to benefit from that? Not India alone. India of course does not want the aggressor to remain anywhere near the Indian borders, and towards that end we are ready to pay. But, as I have said, there are other countries also, in whose interest it is to drive the enemy away. Therefore, I say that expenditure on the army which is over and above what we require for the security of India should be charged to those Governments, a greater portion being debited to His Majesty's Government.

Why should India pay for so many air-fields which have been built for the purpose of making an offensive against the Japanese in Burma? In this connection the Honourable Member has not told the Members of this House what amount is being charged to the other countries. I want him to tell the House how much is being charged to the British Government, how much is being charged to China, and how much is being charged to Australia—the countries who are greatly interested. India is a poor country and cannot afford to make all these contributions for the freedom of others when she herself is not free. I want India to be free first,

and then other countries. As long as we are not free, we cannot make any payment for the freedom of other countries. India's contribution in the shape of men who are fighting in this war, and in the shape of so many people who have died in this war, and millions who are suffering on account of this war, is in itself a great contribution, and that should not be ignored. Millions of people have volunteered themselves to join the Army and have gone to the different theatres of war to sacrifice their lives—that is a great contribution which ought to be valued. Over and above that, India should not be made to pay for the salaries of these people. That should be charged to other Governments who are also interested.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has got one minute more.

Sir Muhammad Yamin Khan: Sir, I do not agree about this civil defence expenditure. It proved to be all farce last time and money was squandered away like anything. I think that it should be carefully scrutinized and should not be left as it is. I also do not agree with this "Grow More Food" campaign, and allotment of a huge sum unless it is spent actually for growing more food and is not given away in paying high salaries to big officers of the department. I do not think that the country stands to benefit by doing that. Sir, I have done.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, It was somewhat unkind of the Honourable the Finance Member to expect us to survey within twenty minutes a speech lasting over two hours replete with facts and questions of policy and programme. Even ordinarily it was not possible to do justice to the Budget proposals except at the time of the Finance Bill. On this occasion it is particularly more difficult on account of many matters of importance dealt with in the Budget speech.

The Budget as a whole furnishes one more reminder that a foreign Government is at best an expensive luxury and at worst a system of semi-slavery. That is the real outstanding point that arises from the Budget and, do what I like, whenever I pass through one page after another I feel that I would have done vastly different things than are being done in this Budget. But that is only an ideal. Being a realist, and being absolutely devoted to the war effort, I am prepared to forget for the time being these aspects of the case. The financial situation, as revealed in the Budget, is somewhat more unfortunate than it was last year. I said at the time of my Finance Bill speech last year that India had reached the maximum of sacrifice which it could make. The peak had been reached and within a few weeks the evidence of that statement was furnished in an increasing manner in the deterioration in the situation leading to innumerable deaths which as a result saw the utter collapse of a huge province like Bengal, not to speak of the increasing distress in the rest of India. Think of what has happened. In spite of increasingly heavy taxation, which has now reached its maximum, you still find the need for heavy borrowing and for carrying deficits to indebtedness. I have in my hand a statement which shows that between 1938 and the present budget, our revenue has risen from 84 crores to 308 crores. From 84 crores to 308 crores is a difference of as much as 223 crores or roughly that amount. The whole of this amount has been extorted from taxation, from a country which is notoriously so poor and low in its standards of living that had it not been for the incorrigible habit of the Finance Member to see money where there is none he would have refrained from taxing us on such a heavy scale. In spite of this heavy taxation of 225 crores between four or five years, he has had to face a deficit of 300 crores, and in order to make both ends meet, he has had to borrow as much as five to six hundred crores in order to keep him going, and it is largely due to his own action in allowing inflation to run riot that prices rose continuously and the market was all the time against him in making all the purchases that he had to make for the conduct of the war. He has sown the wind and we are reaping

[Mr. T. T. Krishnamachari.]

Russia and the other allied countries and how much is left over for this country? The whole position seems to be that nobody knows exactly where we stand. Perhaps after a very cursory look at the budget, I say that this budget shows a lot of optimism, it shows that we have turned the corner—this is the first effect that one has on hearing the budget speech; but a closer scrutiny will reveal that we do not know exactly where we stand; we do not know what our obligations are or are going to be, and nobody in the Government of India really seems to know either. Look at the report of the Public Accounts Committee. Honourable Members who were in the Military Accounts Committee—of which two are officials I see—say “We ourselves have of course not examined any individual cases of allocation and cannot therefore certify, nor indeed are we expected to certify that the allocations are correct”. Blind people—and unfortunately amongst the blind people happens to be the Honourable the Finance Member also who has put his signature to it! What I would like to say at this stage in the discussion is this: that the budget, though it presents an optimistic picture, does not reveal the real situation. I have only one more word to say on this subject. I do not like the word “ceiling”—that new word that has been introduced in the budget speech: a ceiling is usually something fixed; this ceiling is evidently a movable one; it can be raised and lowered at the sweet will and pleasure of the authorities concerned, by a certificate of the Commander in Chief. I say this is bamboozling the public by saying “We have fixed a ceiling”. I think it is not honest. I was going to say, if the House will permit me to say, that not merely is no moral justification for this Government existing in this country and ruling over us and handling our finances, not merely that, the foundation of this Government is immoral, but there is a lot of things immoral in this budget itself. I do not want the Honourable Member to bamboozle the people of this country by saying, “I have fixed a ceiling”, because it can be moved at the sweet will and pleasure of the authorities concerned. Do not let us, therefore, feel that we have reached the limit of other obligations by your fixing this ceiling. What has happened is that all the allocations that have been left in suspense in the matter of adjustments between His Majesty's Government and the Indian Government have all been debited to India. That is the result of this ceiling. Sir, I have no desire to go further into this question at the present moment, but I will have to deal with the ethics of several other acts of this Government. I will here and now categorically assert that on no plea whatever can the Honourable the Finance Member justify that very immoral act of his in allowing foreign Governments to exploit this country by selling their gold in this country at fantastic prices, unrelated to the value of the commodity in their country and pocketing the whole lot of money.

Sardar Mangal Singh (East Punjab: Sikh): He himself is a foreigner.

Mr. T. T. Krishnamachari: The Indian Chamber of Commerce in Madras had sent me a telegram sometime in February about the necessity of applying the Anti-Hoarding and Profiteering Ordinance to the Reserve Bank of India who are selling gold and making such huge profits of it.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): The profits go to Government.

Mr. T. T. Krishnamachari: That is exactly where you have missed the point. The Reserve Bank merely act as Agents, they are selling gold for U. K. and U. S. A. The whole proceeds are credited to the respective accounts of these two countries in India. The ruling rate for gold in London is £8-8-0 per ounce, which works out to Rs. 45 a tola and they sell this gold in India at Rs. 71 or Rs. 70 and at one time at Rs. 83 a tola and the profit goes to the credit of these two Governments—U. K. and the U. S. A. The profits are kept here in this country for the benefit of these two Governments. Questions were asked about the sales of gold in this House in November last. The Honourable the Finance

Member refused to disclose anything that was being done, as to who were selling the gold, who were getting the profit and so on, on the ground that it was against public interest. In answer to a question recently put by Sardar Sant Singh, the Honourable the Finance Member averred that gold was being sold by U. K. and U. S. A. Governments. He has not merely said that gold is being sold for them, but that the profits go to them and that the profits are being utilised in this country for their purposes, and he also added that it was a very welcome act.

Dr. Sir Zia Uddin Ahmad: Then the Reserve Bank is acting as a black market for these two Governments.

Mr. T. T. Krishnamachari: Call it what you like. Would it be possible for any Government which has got a quantum of independence to permit an act of this sort? May I ask the Honourable the Finance Member as to what he said at the time when Indian Government's silver was sold in London? I have got here his answers to questions put to him on this subject last year. Somebody moved a motion for the adjournment of the House, somebody asked questions about the sale of silver and the Honourable the Finance Member said that the Indian Government never sold silver at less than the American acquisition rate for imported silver, and that the sale by the Government of India of silver in London can bear no relation to the Bombay price of silver. I do not know for what purpose silver was sold. Was it to cover the ways and means position of this Government at a time when sterling surpluses are accumulating? Silver has to be sold at the market rate in England irrespective of the market rate in India. Sell it in India and take the profit by all means. If the Government takes the profit, I do not mind. To that extent the rigours of the taxation will be minimised. It will afford some kind of tax relief to the people. But here, Sir, it happens that this Government are allowing other Governments to come and sell in this country. At the same time, just in the sentence previous to the reference to the gold sales, my Honourable friend says: “Ah! can you allow foreign governments to float loans in this country.” I agree that you cannot allow them to do so, so long as you have to control the monetary policy of this country. But are you not doing something worse today by permitting these gold sales?

Sir, there is another point which I should like to refer to. I have not the time really to refer to it in great detail. I want to refer to the prizes offered by means of a lottery to the purchasers of premium bonds bearing no interest. I do not find that this Budget is honest either. I find here that an Association, of which I happen to be a Member, the Indian Institute of International Affairs of which I think the Honourable the Leader of the House is the Chairman or the President, whatever it is, I find that this Association has accepted very gratefully from this benign Government a gift of Rs. 73,000 a year recurring, and a non-recurring grant of Rs. 10,000 for the purpose of establishing a library. It is a good thing, giving it to an Association of which I am a member, but at the same time as a legislator, I should like to know what is the justification for the Government parting with the tax payers' money. I also would like to know if I am to table a cut motion on that particular grant, as to where is it to be found in the list of Demands? Is it under the Department of Education, Health and Lands?

The Honourable Sir Jeremy Raisman: External affairs.

Mr. T. T. Krishnamachari: Quite right too. Since when a question was put last year about the delegation that was sent on behalf of this Association, the Honourable the Secretary for External Affairs Department very indiscreetly made some observations and in order to reward that Association which had provided him with the opportunity to insult Indians of high status and position, I suppose the grant is made under External Affairs Department.

Mr. T. S. Avinashilingam Chettiar: Is it votable or non-votable?

The Honourable Sir Jeremy Raisman: Non-votable.

Mr. T. T. Krishnamachari: Nothing under the External Affairs Department is votable. Government can put in grants here and there and say, this is votable, that is non-votable and so on.

As the time at my disposal is coming to an end, I will conclude now. I have no desire to speak about reconstruction proposals. I would only refer to the question of accumulation of sterling. The question of accumulation of sterling has been talked of in this House times without number. Here I would like to quote from the *Statesman* which gives an extract from the *Manchester Guardian's* City Correspondent remarks on India's sterling credit and "who seems to think that this question of sterling surplus has all been a gift of Britain to India". I should like to ask if that is a fact, if the whole of sterling surplus has been made up of goods and services rendered to Britain directly and if only Britain has contributed to make up all this sterling credit we possess today, or whether it includes all the exports surplus earned by this country by trading with foreign countries all of which have gone into that Empire pool and ultimately vanished from there to find a place in the sterling surplus.

Mr. Abdur Rasheed Choudhury (Assam: Muhammadan): Sir, I must sympathise with the Honourable the Finance Member because in his endeavour to find out tricks to take this House by surprise, he must have studied hard, he must have had to think very hard, he must have had to sit up nights after nights in finding out means for his assumptions and assertions in this Budget. Beyond this sympathy, I have got nothing to say about him. I have got no sympathy for his bad horoscope. I have got no sympathy for his ways of extracting money from the people of this country day after day. The more I read the Budget, the more I come to the conclusion that it is a Budget prepared with some fixed purpose, and that fixed purpose is that India should remain poor and become poorer, so that England may remain rich and grow richer year after year. That is the main principle of the whole Budget.

I must say that the Budget is conspicuous in some other ways also. It is conspicuous because we are pressed to give more and more without being encouraged to earn more. We are pressed to give more taxation out of our existing sources of income without creating new sources of earning income. This means pressure of taxation on them. In other words the Finance Member wants that industry in this country should not prosper so that industries in other countries may prosper and take our money by importing finished goods into this country. Then there is another conspicuous thing in this Budget and that is this. The Finance Member in his sweet-toned speech threw a veiled threat on us that he must be followed blindly; we must not raise any question on the ways he is planning to tax us. In other words his speech is provocative because he gives a threat that unless we follow what he says, unless we admit that we are ignorant and he is wise, unless we admit that he was right to instruct us in financial matters, he has got the combined strength of the Central Government to bring us to our senses. Another thing in which the speech is conspicuous is that he has imposed taxation and every one has got to pay whether he is alive or dead. One has to pay the tax so long as he is alive but it will not cease on his death,—his successors will have to pay it.

These are the principal features of this Budget and I will deal with them one by one. Owing to the peculiar constitution of this country India has been dragged into this war. I am not raising the propriety of it but it is a fact that we are at war and have to pay for the war. Now let us see what we have paid for this war. Our expenditure has risen to about a crore every day. We are now in the fifth year of the war and by this time we have contributed for our defence something like 800 crores; and it will reach one thousand crores in the course of this year. We contribute similar amounts in supplies and services abroad. Over and above this we contribute in loans. We have already contributed 547 crores in loans and the Finance Member has told us that he is employing all methods so that every one may contribute to this loan. He has engaged even women to canvass for loans in remote villages so that neither widows nor

aged men can have anything in their pockets left. We do not grudge it; this is war and we are determined to win it and are gladly paying for it up till now. It will be interesting to see how we are financing this war. Rich and poor, traders and industrialists,—every one has to pay. The only body which is escaping taxation is the class of people referred to by Mr. Chettiar, and that is the class of Government servants and military contractors. These people are escaping this taxation.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Abdur Rasheed Choudhury: Sir, I was speaking of one class of people escaping taxation. Believe me, Mr. Deputy President, and do not take it lightly, when I say that for getting a contract one has got to pay 10 per cent. of the probable profit to begin with, and then for every bill one has got to pay another ten per cent. Any enquiry will satisfy the Honourable the Finance Member.

Coming to taxation proper, we have got two kinds of taxation, one is direct and the other is indirect. Let me take direct taxation, that is, taxation on income. This income has risen from 19 crores when the war began to 190 crores in the course of these five years. I do not believe that the Honourable the Finance Member is satisfied that the earners of income have got so much increase in their income that they can pay so much. In other words, this taxation is not based on the increase of income, but on the existing income. Every year there is a change in slabs, every year there is a change in the proportion of income-tax, super-tax and so on. With the result that there are changes and changes in the proportion of income-tax, super-tax, corporation tax, and so on. For the same income we have got to pay one tax this year, an increased tax next year, a still further increased tax the year after next, and so on. The result is that there is no increased income, but there is a tendency of check on income. In other words, the Honourable the Finance Member is taking away all initiative from the earners of income to devote their energy to the earning of more income.

As regards indirect taxation let me say this. So far as direct taxation is concerned we do not mind, you pay on what you earn, but in the case of indirect taxation you have got to pay whether you earn or not. So far, indirect taxation was very little, but the Honourable the Finance Member for the last two years is bent on increasing the sources of indirect taxation. Last year he taxed tobacco, the only pleasure of hard working labourers and wage earners in the field. He is not satisfied with that. This year he has taxed betel-nuts. What are these betel nuts? This is the pleasure indulged in mostly by the hill tribes and, in the civilised portion of India, only by the widows. (Interruption.) The little pleasure which these unfortunate people used to indulge in, the Honourable the Finance Member could not brook but on the other hand he is taxing them all—widows, hill tribes or whosoever it may be.

Coming to another source of taxation, that is, taxes on coffee and tea. There is a difference between taxation on coffee and taxation on tea, because in the case of coffee the minimum price has been fixed and one knows what is the minimum price, but in the case of tea, it is not so, no minimum price has been fixed. And the Honourable the Finance Member taxes this source also without ascertaining how it will react on the industry. At present Indian tea is being sold in the Calcutta market at annas 4 or 5 or 6, that is the maximum. If you add another two annas of taxation, that means, the producer gets four annas. If it is sold at six annas, the producer will get only four annas. With the increased cost of production, with famine prevailing in the districts where tea is grown, producers are at their wits' end to maintain their labour force in proper working capacity. Unless the Honourable the Finance Member devises means

[6TH MAR. 1944]

[Mr. Abdur Rasheed Choudhury.]

to see that this tax will fall on the consumer, it will react very harshly on the industry and the first pinch that will be felt will be by the labourers. I hope my Honourable friend, Dr. Ambedkar, will take note of this fact. I hope the Honourable the Finance Member will explain the situation and assure us whether the whole of it is to be paid by the producer, or by the consumer, or partly by the producer and partly by the consumer.

I have said before that India has been gladly bearing the burden of the additional taxation and defraying the cost of the war both in men and material. Naturally, if one pays, there is a desire to know what for it is being paid. I do not like to go into detail but there have been hopes given time after time that India will be given self-government or Dominion Status, whatever it may be. If that were in the Government's mind, the Honourable the Finance Member could have certainly said something about it, but his speech is conspicuous on account of the absence of any such thing. He has tried to throw some light on how after the war things are going to shape in India. He says the army is being expanded and better rations are given to the Indian ranks. But he is very clever, he conceals the fact whether the army is going to be Indianised, and he does not say whether the recruitment to the I.C.S. is going to be stopped after the war or not. So, there is a misgiving that, whatever amount we pay, whatever sacrifice we may make, Government in the near future are not going to give any political concession to India.

Sir, so far I have spoken rather jocularly about this matter. I shall come to a serious consideration of the matter. The first thing is this. Our misgiving comes in because of the way our taxation is being expended. The budget consists of civil side and the military side. So far as the civil side is concerned there is some sort of check or control or whatever else you may call it. But so far as the military side is concerned, there is absolutely no check. This House has no means of checking how the expenditure is incurred and on what items the expenditure is incurred. Now, Sir, there is some financial settlement between the Government of India and His Majesty's Government in this connection and all expenditure is allocated according to this financial settlement. I wish my Honourable friend, the Finance Member, had said something about that, but he has spoken very little about it. So far as I can see, this settlement is between His Majesty's Government sitting in London and British representatives of His Majesty's Government sitting in Delhi. Indians have no voice in this allocation. So the House has no means to check this allocation and no means to have any effective control over this allocation. If I give you concrete examples, you will be able to understand what I mean.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got one minute more.

Mr. Abdur Rasheed Choudhury: Well, Sir, I am sitting down with the deep conviction that this Budget is not for the benefit of India; it is for the benefit of non-Indians and it intends to keep India poor and make non-Indians rich at India's expense.

Sardar Sant Singh: Sir, in speaking on this Budget I will only discuss the reactions of the layman towards the proposals embodied in the Budget by our financier general. The point that first presents itself is this: That in a poor country like India where 84 crores of revenue can hardly be raised—and whenever an attempt was made to raise more revenue the argument was given on the floor of this House that the country was too poor to bear this burden—we find that revenue has successfully been raised to four times its original figure. That is staggering in itself, but when we consider at the same time that the normal expenditure on defence forces which used to be 36.77 crores has been raised to about 262 crores, it is all the more so. The layman can hardly grasp the significance of this figure. There are some points, which though the Honourable Member has taken great pains to explain to the House in his speech extending over two hours, which still remain quite unconvincing. The first

of those points that occurs to me in connection with the defence expenditure is this: Indian troops, receiving lesser scales of pay, both men as well as officers, have been sent abroad and in place of those troops, British troops have been imported here. Looking at it, not from a political point of view but from a financial point of view, the cost of maintenance and pay of personnel between the Indian troops and the British troops being different, who bears this difference? If Indian troops had been kept here for defence of India, certainly the financial burden of India would have been less. The allocation of defence expenditure between the United Kingdom and India has been kept a close book. It never had the sanction of this House, so far as I remember, and it was never placed before this Legislature for discussion. Probably the Honourable the Finance Member would say that we are not constitutionally entitled to do that. It may be so. But may I ask him that during war time, when figures run so high, is it not fair that this allocation and the agreement between the two Governments—a subordinate Government and the ruling Government—should be placed before this House and discussion should be allowed on it? I think the Honourable Member is not unaware that doubts have been raised as to the strict observance of that agreement, and criticism has been levelled in the Press as to whether that agreement is strictly being adhered to or not. I quite concede that it may be difficult to interpret the agreement in terms of daily recurring expenditure and in the changing situations which the war undergoes. But still it is a matter of great interest to the tax-payer to know who is going to bear the expenditure incurred on British troops which have been imported for the defence of India, as this expenditure is alleged to be far greater than the expenditure which would have been incurred if the Indian troops had been employed here and not sent abroad.

The second point which I would like to make—and that too is from the layman's point of view—is about gold and silver. In this connection I put certain questions about the sale of gold and if I remember aright I was not given a reply to my question: "Who pockets the profits that are made?" Well, Sir, I understand that the rate of gold in the United States of America and England is about 35 shillings per tola, while the rate of gold in the Indian market which is prevailing at present is 71 rupees per tola. To a layman the margin of profit seems to be very big. It appears that a simple and surer course would be to purchase gold there and sell it here in the Indian market, and the profit should go to the Government of India, or to the people of India. It may come as a relief to taxpayers to some extent. But this course is not adopted. This is a *Times of India* puzzle which requires to be solved. Why an astute Finance Member like the Honourable Sir Jeremy Raisman should not have adopted this course straightaway is a puzzle to us. We would like him to explain to the country at large why he does not purchase gold there and sell it here? Then the second point which strikes me in this connection is this. Why is he not selling silver here? After all the reserve of the poor man is silver, not gold, and I am told that by the sale of silver in this country the price of gold is likely to come down. Though he has succeeded so far as cotton is concerned he has failed to bring down the price of gold to something near about the pre-war level of prices. I will request him to explain to the House why silver is not being sold in this connection. Some said he could not purchase gold in those countries because they would not sell it. Well, if it is so and if these countries refuse to sell gold to the Government of India in order that the gold may be sold here, can he not refuse to sell articles, which India produces, at controlled prices to the United Kingdom Corporation who makes huge profits by selling them at very high rates in Iran and Persia? The position is that when the United Kingdom Corporation sells these goods in those countries and purchases them from India, they make huge profits which legitimately belong to India. If the other countries refuse to sell gold and silver for the purposes of sale in India, it is but fair that those countries should not be allowed to make purchases of goods at controlled prices so that they may sell them outside at higher rates. There is the commonsense

[Sardar Sant Singh.]

point of view which I want the Honourable the Finance Member to explain to the House and the country, because the country feels that India's interests are being given away to subsidize the war expenses of the United Kingdom and the other countries.

In this connection I will say a word about inflation too though I do not pretend to understand the whole subject. I have never pretended it, but again I speak from the layman's point of view. In the previous war of 1914-18 the Government used to purchase foodgrains from Lyallpur market and pay half in gold and half in paper. This time that procedure has not been adopted. The foodstuff is purchased and the payments are entirely made in paper money. Inflation can be remedied to a very great extent if some portion of the price paid to the grower is paid in bullion. The result would be that the grower will keep the bullion, store it and spend the paper money. I think I am not wrong when I say that this will help deflation a good deal.

The third point which I want to make in this connection is the question of control of prices. Various departments of the Government of India have been taking very great pains in issuing Ordinance after Ordinance controlling the prices of various commodities. The first Ordinance which they issued was an omnibus one in a few sections of which it was laid down that nobody was to charge more than 20 per cent. of its imported price. May I ask whether they took the trouble of finding out whether every article being sold in the country had any documentary proof of its imported price? The imported article may have exchanged hands a hundred times and you expect an ordinary dealer to find out the price which is allowed by law. Unconsciously he may slip into charging a price which he believed to be not more than 20 per cent.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): That is not correct.

Sardar Sant Singh: I would like to be corrected if I am not right. That all embracing Ordinance was issued on the 16th or 17th November. I do not know the exact date. Then came several Ordinances trying to fix the prices of the various articles of consumption. Those prices were very good when we read them in the *Gazette of India* issued from time to time, but is there any relation between those prices and what are actually paid for the articles? People are asked to mark the price on the goods, but where are the goods? I went round in the whole of Connaught Place to find a watch and the only advice given by the dealer was that he has not got it. His friend has got it. If I could pay his price I could get it.

The Honourable Sir M. Azizul Huque: Why didn't you report that?

Sardar Sant Singh: It is very good to say why didn't I report it. It would have meant my coming all the way from Lyallpur to attend court in Delhi!

The Honourable Sir Jeremy Raisman: Then how can you cure it?

Sardar Sant Singh: I will tell you just now.

Similarly the case of this Parker pen. You have fixed the price at Rs. 36. Can you find one Parker pen in the whole of Connaught Place which used to have hundreds of them? Not a single one was available. My friend said they may be available to the Members of the Legislature. I said no.

The whole situation has come to this because an I.C.S. officer without vision, without imagination, had certain discussions and issued an Ordinance without seeing what effect it would have on the market. Trade is not taken into consultation at all. No ways and means have been adopted so far to find out whether a particular dealer in a particular article has that article with him or not.

The Honourable Sir M. Azizul Huque: Some traders charge Rs. 150 for the same pen!

Sardar Sant Singh: I am not against your control. I am against the method. You are controlling in the wrong way.

I will now put a constructive suggestion. Suppose A imports these goods. Cannot you ask him to hang the list in his shop to show what goods he has

got when he imported them and how much he has sold? The customer will know whether he has this article or not. But you have not the administrative staff to look after this with the result that the goods are not available in the market today. After all if you want inflation to be cured by opening more channels for the consumer to spend his money, you must find the article on which the money is to be spent. People may be willing to purchase and they may be in need of that. What is the need of these Ordinances? You are not going to harass people and prosecute them and send them to jail. You must properly consider your methods before you can ask people to co-operate with you. Simply to say that people are not co-operating when they do not find the goods at all in the market is not correct. Goods have disappeared and

3 P.M. you have not got the staff to find out where they have gone. The black market is flourishing today but the white market is at a discount. You have issued the Ordinance but unless you have got the staff to see that that Ordinance is observed fully by the market people, it is of no use. There are certain things which are sold at one shop at one price and they are sold at another shop at a different price. You have no machinery to which a person can go and report and where justice can be meted out to him. You want that I should make a report to the police, but what does a police man do? He goes to the shop where he is paid something and he comes back and reports that he did not have the goods. How am I to know, first of all, that a shopkeeper has got an article which he refuses to sell? There must be some way of looking at it before the control can succeed. Therefore, I will suggest that as the imported articles are imported under a licence, you should know how those imported articles are disposed of. Who has purchased those articles and who has stocked them? When you have known this, you should insist that the shopkeeper should keep a list in his shop so that the purchaser may know whether he has got those articles or he has sold them away. In this way, control can be of some value; otherwise, I am afraid, you are leading us into chaos and confusion. This confusion will lead us nowhere and it won't help you. It would result in the control of goods but it will not help the consumer to purchase his goods.

Sardar Mangal Singh: Sir, I listened closely to the record-breaking speech of the Honourable the Finance Member which he made while introducing the annual Budget this year. I waited and waited to hear something which may be useful to my countrymen in the coming difficult times, but I waited in vain. There was nothing in his speech except taxes, taxes and yet more taxes. In some quarters his Budget has been called a "pay more" budget, but if he does not mind, to my mind, the correct description of his budget is that it is a "pick-pocket" budget. He has very carefully and, if I may say so, surreptitiously, put his hands into the pockets of the people and has tried to steal money somehow or other. Tomorrow he will reply to the debate and he may fret and fume that Members sitting on this side of the House did not agree with him. He is here as an accredited representative of the British Imperialism and we are here as the representatives of the Indian tax-payer. It is no wonder, therefore, that we cannot agree amongst ourselves.

Sir, I am reminded of an incident. When a certain philosopher saw two women quarrelling across the street, he said: "These women will not be able to agree among themselves because they are arguing from different premises". The Treasury Benches and these Benches, so long as the present state of things continues, cannot agree amongst themselves because they are arguing from different premises. I am here as the representative of the tax-payer. When this war was declared, I was not consulted. I was not consulted when this so-called wonderful financial settlement was arrived at as regards the allocation of the defence expenditure between this country and Britain. Even the make-believe vote which this Assembly had on the defence expenditure has been taken away. Now, this House can only talk but cannot vote, let alone the acceptance of that vote by this Government.

[Sardar Mangal Singh.]

Sir, I do not propose to go into the high finance and I do not want to be drawn into the controversy of what was the cause of the high cost of living, whether it was the inflation or whether it was the scarcity of consumer's goods or whether it was the psychological cause leading to hoarding and profiteering. It is enough for me to say that this Government has, by its own bungling, created a situation in this country which has taken away 35 lakhs of my countrymen and women. My case is quite simple. Here was the Government which was not trusted by the people. They wanted money and they wanted the rupee finance to meet their expenditure and the expenditure of the United Kingdom and other United Nations. People did not trust them and they did not give them their money. Then, what did they do? The Finance Member asked the Mint Manager to print notes. What was the reaction of this on the people? People were panic-stricken and they had seen their countrymen who had come from Burma and other places. They became panic-stricken and there was hoarding and profiteering over which this Government could have no check. Besides this, there was a huge corruption amongst the officials. Everybody was trying to make money while the people were dying. Sir, this is the position. I do not want to say more on this high finance. My case is quite simple. Had there been a national Government in this country, had there been a Government in this country which could make an appeal like Mr. Churchill did in his famous sweat-and-tears oration, if there were men like Pandit Jawaharlal Nehru and Mr. Jinnah sitting there on the Treasury Benches making an appeal to his countrymen to defend their country, there would have been enough money and Government would not have been forced to print more notes and the country would have been quite all right. The inflation policy of the Finance Member is responsible for the deaths of 35 lakhs of my people. Besides these casualties, God alone knows how many people there are who have now become destitute and disabled. I think the number of these casualties is far greater than the casualties of the United Kingdom and the United States of America put together in this war. But I leave this subject here because there are other Honourable Members who can deal with this aspect more ably than I can do.

I confine myself to the examination of the defence expenditure alone. Although the Finance Member spoke for full two hours, he was all the time more particular to hide things than to explain them. What did he say about the defence expenditure? There are certain important points on which he did not give any information. How much has he spent during the last year and the year before that on behalf of the United Kingdom? He was silent about that. He was careful to hide that fact. In his speeches of 1941-42 and 1942-43 he gave these figures. At that time it was 400 crores; and by this time I think it must have risen much higher, and therefore he dare not disclose that figure. I would ask him in his reply to give me this figure—how much he has spent on behalf of the United Kingdom: it was 400 crores in the year before last year. Then again he must have spent for the United States of America also. I want that figure. And the most important thing which he mentions is the financial settlement: it is called a settlement between England and India. It is quite a wrong impression to call it a settlement between Britain and India. Really speaking it is a settlement between Britain at London and Britain at Delhi. This House was not even consulted about it, and how can you call it a settlement—a big name—between India and Britain? In that settlement, apart from the normal budget they have added expenses about the Indian war measures. Here again the Honourable the Finance Member has not given any details of these Indian War measures. How has he spent these crores upon crores of the hard-earned money of my countrymen? He has not given any details. Then again, about the lend-lease, he has actually skipped over it, saying only that the talks that were going on between the United States and India, which were suspended then, have been ended now. What about India? We are spending here on behalf of the United States—on his own admission—

about 81 crores by the end of this year. How much financial benefit we will get, he has not told us. He only says "The United Kingdom may get 350 crores, and out of that (*it is his personal estimate*) we may get one-third". In this matter also he has not explained anything.

Then the most important thing he has hidden is about the so-called ceiling of the army strength which is necessary for our local defence purposes. According to this wonderful settlement, it is laid down that the cost of troops available to India for the local defence purposes and what army is necessary, His Excellency the Commander-in-Chief will fix a ceiling. We have not been told what that ceiling is. He says only: "As already indicated so far as the land forces are concerned, the present ceiling has not yet been exceeded". But what is that ceiling? That ceiling is liable to be changed at any moment; what is the use of fixing it? He has tried to mislead the House by saying that there is a certain ceiling. There will be no ceiling; it is only a fiction. On all these four points, he has not given us any information.

Before the war, the Defence Department used to issue some pamphlets which contained some information. But this time the Government of India has placed in the hands of Honourable Members this big pamphlet, as if we are school children. There is no information there. There is a picture of some soldiers killing mosquitoes. What is this? Do you expect me, on this, to vote crores and crores? You do not even tell us what it is for. I come here to demand of the Government that we are paying huge sums—I am coming to that later on—I have to pay, my children will have to pay: I simply ask you to explain to me what are those sums: these estimates are visible estimates; there are hidden, invisible estimates and expenses: I want the Honourable the Finance Member to tell me what are all those expenses and how you are going to spend all that money. If he pleads that there is a war on and the enemy may know, if he pleads public interest, then I would request the Honourable the Leader of the House to give one day for a secret sitting of this House so that we may discuss all these details, and we may at least know where we are spending and how much we are spending and what the effect of this policy will be in the after-war period. At least I want to know. But this Finance Member speaks for 120 minutes and he does not devote even ten minutes for this purpose; he does not tell us anything—the reason probably is that he does not want our vote for them; these 300 crores in the Budget are not votable.

If we look at the figures of the past five years, as to how the defence expenditure is rising we see that in 1939-40 it was 49.5 crores, in 1940-41 it rose to 78 crores, in the next year to 103 crores, and in the year after that to 238.89 crores. Last year it was 300 crores, and in the next year's budget it is put down as 301 crores. There is one important thing to note in this. The Finance Member spends the money and then gives us the revised estimates. He gives a small figure in the budget estimates so that the Members and the public may not feel alarmed. In 1941-42, the budget estimates were 84.13 crores and the revised estimates were 103 crores, that is, 20 crores more than the budget. In 1940-41 the budget estimates were 53 crores and the revised estimates 73 crores—20 crores more. In 1942-43, he has beaten the record; the budget estimates were 133 crores, while the revised estimates were 238 crores, that is, about 80 per cent. more than the budget estimates. In the current year again, the budget estimate was 199.66 crores and the revised estimates are 300 crores, that is, 50 per cent. more. Why is this? We are now in the fifth year of the war; the Honourable the Finance Member must be able to judge beforehand what the expenses are going to be: if we go on at this rate, the revised estimates for the coming year would be 450 crores. Next year he may come before us and give us this figure. The defence expenditure of our country has increased from 45.47 crores to 300 crores, and next year it may be 450 crores. So, Sir, we have spent Rs. 1,065 crores on this war so far. During the last war, it was only 212 crores. Now, we have already spent five times more than what we spent during the last

[Sardar Mangal Singh.]

war. If we go on at this rate, then my countrymen will not be able to support this huge expenditure.

Then again, the Honourable the Finance Member hides things. He plays hide and seek. The financial settlement which he has announced is most unfair to this country. It does not deserve the name of a financial settlement. In regard to the financial settlement, India's liability for the cost of the forces serving within her geographical frontiers is subject to the condition that such forces are both necessary and available for local defence purposes. I want to ask if these two million men, Indian and British troops are only sufficient for local defence purposes only. I want to know if our troops engaged for fighting in Arakan and for whom we are paying, are for local defence purposes only or are they for imperial purposes? In this country the British troops and other troops are maintained for imperial purposes only. It is wrong, it is improper to charge the Indian exchequer for this. The whole expenses should be debited to His Majesty's Government. That is my point. Before the war, we had roughly a lakh and a half troops of whom roughly about 60,000 were British troops. There was absolutely no justification to put this heavy burden on the Indian taxpayer when you increased the number of British troops and when you expanded the army. We are part of the Empire and the whole of the expenses for this expansion of the British army should be met from the British exchequer. We are fighting for the Empire, and we are also asked to pay for them. I strongly object to this sort of tactics on the part of the Honourable the Finance Member.

Mr. R. R. Gupta (Cities of the United Provinces: Non-Muhammadan Urban): Sir, before I come to my criticism, I want to assure the Honourable the Finance Member of my sympathy in his difficult task in which he has to find money, while the policy is to be dictated from five thousand miles away, and the expenses are to be incurred by the machinery which considers itself master and ruler of the people rather than their servants. It is due to this reason, Sir, that the difficulties in this country are going on expanding and mounting up, and still we do not know when the end will come for all our sufferings. I share the view of the Honourable the Finance Member regarding the sufferings of the people during the last eighteen months. But I cannot help pointing out that the machinery of Government has proved beyond doubt that it is too slow to adapt to the changed circumstances and to foresight. It may be due to incompetence or conflicting interest which they have to watch. But the fact remains that the sufferings of the people have been aggravated which otherwise could be easily minimised if the methods were adopted in time and properly. Sir, under the bogey of inflation all sorts of hardships have been inflicted upon us. Firstly, you tempted us to part with our wealth for higher prices. Once the commodity was taken away, now you want to take the money also back, not only by means of persuasion, not only as a loan which can be available to us for use after wards, but by means of force also. Has the lot of the cultivators improved so much that hardships should have been perpetuated against them as had been done last year in my Province when under the name of fighting inflation, collective loans were proposed to be raised by the villagers. How were those loans collected? Police parties with village revenue assistants were parading the villages and fixing the amount of money which has to be contributed by the particular village. And then what was happening, once the amount which was fixed was paid, sometimes upto fifty per cent, that was not accounted for and no receipt was given for that amount. After some time again the same party reached those very villages and demanded 50 per cent of the amount. When receipt was demanded from them, the poor villagers were subjected to all sorts of tortures and indignities. They were beaten, their houses were plundered and money was forcibly realised. That happened not in one place, not in two places but in dozens of places. I am glad this collective system of loans has been stopped. I hope, Sir, that you will see that in the new system of individual loan raising, these methods are not repeated and the people are assured that they are free to purchase only as much

loan as they like and for whatever amount they pay, they should be granted a receipt for the same.

Sir, the Budget has perhaps only a few merits but a lot of demerits. On the merit's side is the raising of the taxable limits from Rs. 1,500 to Rs. 2,000. But I do not know whether this limit has been raised as a mercy upon the people or because it is due to the result that you could not manage the collection from these small taxpayers. Secondly, Sir, your assurance that the financial settlement holds good is a happy augury. But, at the same time, increasing defence expenditure is difficult to understand. How can you justify that the financial settlement as it was arranged holds good? If that is so, then why should your defence expenditure go on rising? Your assurance that the setting of the South-East Asia Command does not entail extra liability is a welcome assurance. But again, when the fear from the West has totally disappeared, and when in the East also you are organising attack, and, if we are not to be saddled with the burden of expenses involved in the East Asia Command, then what is the reason that the defence expenditure should stand at the present figure as disclosed by you?

Sir, I find that the Budget has been deliberately designed in such a manner as to draw the maximum taxation without any regard to the people's capacity to pay. The revenue income, as said by many speakers before me, has gone up from 84 crores to 308 crores. On whom does the main burden of this increased taxation fall? The same people without whose willing cooperation all this much-boasted war effort of this country, the success of the much-advertised control measures and the sound budgetary position would have been simply a farce. And what is the reward which they get in return? Before the war the proportion of direct taxation to the total revenue was only 20 per cent while now it is 75 per cent; before the war the total revenue from direct taxation was only to the tune of 15 crores, and now it stands at 159 crores. I want to know whether the Finance Member thinks that the capacity of businessmen is unlimited. He has suggested in his budget the taking away of the 100 per cent income from the excess profits tax. Then the taxable income from Rs. 15,000 has been subjected to the taxation of about 4 annas and 6 pies per rupee. And after that whatever money reaches the hands of the individuals is subjected to further taxation of super-tax amounting up to 11 annas per rupee. After paying all this money what will be left in the hands of Indian business for industrial development of the country or to meet other obligations?

The Honourable the Finance Member has been cleverly manipulating his figures of expenses and income. On the expenses side he has been trying to show reduced expenses on the war budget. Last year he showed only 190 crores as the budgetary expenses on war while the actual amount reached 300 crores. On the income side what he estimated the actual collections showed off 33 crores more; out of that 32 crores have come from direct taxation. It is perhaps only to justify increased taxation that these figures are so manipulated; but I think the time has come when the policy has got to be revised. I know some of my Honourable friends are being carried away by the Finance Member on socialistic utterances based on pure sentiment. But they should see what is the effect of the present policy of Government. They should know that the economic development of the country is resting on Indian shoulders, on the shoulders of Indian businessmen. If the capacity of Indian businessmen has been reduced to such a position that they cannot take up any more new industries in hand, what will be the ultimate result? British capital is already showing signs of not taking much interest in India. The result will be that the task of further industrial development will rest entirely on the Government of India. But when industrial management is left or entrusted to the Government of India, what is the effect? It only ensures a ready market for the manufactured goods of England and ensures a permanent import market by way of replacements, etc. Do you want this state of things to continue in India or do you want real industrial development to take place? I think I am voicing the sentiment of Indian businessmen

[Mr. R. R. Gupta.]

when I say that we in India are not in that sense capitalistic as you find in Great Britain or America. We are in the forefront only so long as we know that it is we who have to fight the battle of economic development of the country. The moment we are assured that the Government of the country is in the hands of the people who have got the welfare of the country at heart and Indian interest receives first consideration, you will find us going into the background. I for one will not mind even if at that time the social system of the country is developed on the lines of Soviet Russia.

Apart from that have Government fulfilled all other requisitions before they go on piling taxation upon taxation? My Honourable friend, Sardar Mangal Singh, has just pointed out the position of defence expenditure and shown how this expenditure is being multiplied. Firstly, I will point out that the total amount shown under the head of defence expenses does not represent the correct amount. Many of the items debited in the revenue account and in the railways should also go to the defence expenses account; and if all those items are correctly debited to the defence expenses I think the figure will mount to somewhere near 325 to 350 crores for the coming year. Again, if the difference between the budget and the actuals of last year be any guide we may easily expect that this year will close with defence expenses reaching the figure up to 400 crores at least. Does it not show that the proportion of India is going on increasing while the threat to India is going on diminishing? If that is the position, then in that case certainly this House has a right to ask the Honourable the Finance Member how he is going to justify this increased expenditure on defence every year. The phrase used by the Honourable the Finance Member that India has reached the utmost limits of its economic capacity to meet further burdens, I think, in the absence of real proof, to transform this sentiment into reality and especially in view of his emphasis on the point justifying the importation of consumer goods—it is a matter on which we will require certain categorical assurances.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has one minute more.

Mr. R. R. Gupta: Does the Honourable the Finance Member intend to import consumer goods and implements for agriculture to reduce the pressure on Indian economy? If that is so, I do not think the country will support that policy. Lately we have found that under the name of consumer goods a lot of rubbish has been imported from England under the direct permit given by the Secretary of State for India. That import included items such as whisky, toilet goods, cycles, etc. At a time when shipping space was not available for food-stuffs, when people were dying, the import of these articles was permitted. If that is the policy which is going to be followed, we have a fear that all our sterling resources will be frittered away by these methods.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Dr. Sir Zia Uddin Ahmad: We have already completed four years of war and we do not know how long it will continue, probably another five years.

An Honourable Member: Last time you said, six years.

Dr. Sir Zia Uddin Ahmad: Therefore the principles of economics that we have framed for peace time cannot possibly be applied under war conditions, and I would like to examine these principles as far as they apply to this Budget.

Let me first take up the question of what we call the paper currency reserve. In peace time, according to the classical theory, the metallic reserves ought to have been in the form of gold and silver. We continued this thing for a considerable time, but England went off the gold standard, and then it became difficult to keep gold in reserves as it was all accumulated by France, and the United States of America. Immediately after that, we found that metallic reserve or any other form of reserve was not necessary. We saw, just before the war, from 1930 onwards Germany had no reserves of any kind, but

it went on with its work all right, by method of control over internal transactions and by the method of barter over all their transactions outside Germany. Here in India also we found that we had certain difficulties when people began to hoard money and all these silver coins, went underground. The Honourable the Finance Member had the vision and he, against all classical rules and peace-time rules of political economy, printed, or, I should say, stamped the rupee on paper and not on metal and he called it the rupee. People criticised him, and I myself criticised him when he first introduced this paper rupee, but after careful consideration, I thought that it was a very wise step, though I can say that it was not a correct thing to have one paper currency as reserve for another paper currency. We find the same position now. Our notes in circulation are 821 crores. Against that, I find from the Explanatory Memorandum that out of a reserve of 821 crores, 713 crores are in the shape of what we call sterling securities. This security paper is another form of paper, it is not metallic reserve. The metallic reserve is only 44 crores, against a total of 821 crores. When a large portion of this paper currency is put down in the shape of paper currency of some other form, in such cases the security is really the prestige of the Government, that is all. If the prestige of Government goes away, your paper currency has no value, your securities will have no value, and nothing will have any value. If everything depends upon the prestige of Government, why this intermediate security? You ought to take bold steps and say that there is no need in war time for any kind of security. It is all paper transaction which can be done away with altogether. The whole thing depends upon the prestige of the Government. The moment the prestige goes, there is nothing behind and nothing is left behind. The move that has been taken, I think, is the correct move, and it is unavoidable in war time conditions. You cannot have metallic reserves at such a time, and you put it in some other form for the sake of show, and you say that you have Indian securities or United Kingdom securities or securities in any other form, but they are all meaningless. I would recommend that we should go one step further and say that it is all quite unnecessary.

As regards political economists, I say they are very good and their work consists in preparing statistics which are likely to be required for our discussions, and to arrange such statistics is the principal object of the economists. But to draw inferences from statistics is not the work of economists, it is the work of the man of common sense. I remember once, reading the graph of fever. The temperature at 6 o'clock was 100 degrees, at 8 o'clock it was 102, at 10 o'clock it was 104, at 12 noon it was 106, and as the temperature was bound to rise to 108 and 110 in the evening, it was stated that the man was surely going to die. We had a definite example of this illustration in the United Provinces when the price of wheat was calculated by the authorities then in power on the supposition that the prices would go up to Rs. 22 and 24 and they began to purchase wheat at enormous prices. Therefore, the writing of the graph is very useful, but the conclusion to be drawn from the figures in the graph, the manner in which they should be interpreted, should be left to persons who will draw better inferences if they are not entangled with economic theories.

Another thing to which I would invite the attention of the Honourable the Finance Member is, what is the wealth of a country. The wealth of a country does not depend upon the number of notes printed and circulated or which you can print and circulate. The wealth of a country does not lie in your metallic reserve, gold or silver, or whatever it may be. You have got to take the example of Germany. After the last war they had to pay 250 milliards gold marks per annum as war indemnity. They continued to pay that amount simply on account of the hard labour which they put in. I went to Germany in 1922. Then they said that they had not the slightest doubt that, though they had no money whatsoever, they could produce goods, they could work days and nights, and continue to pay. One thing is that the wealth of a country depends not so much upon your reserve, upon your notes, upon your metal, but it depends upon

[Dr. Sir Zia Uddin Ahmad.]

the capacity of the work, upon the natural resources. These are the two important factors on which alone the wealth of a country depends. But what is the measurement of this work; what is the unit by means of which these things can be measured? That is the point. It is very necessary for all units of measurement to have a fixed and a definite value. Probably my Honourable friend, the Finance Member, will say that the unit of measurement should be a fixed and definite quantity. You cannot measure by an India rubber which if you stretch it will give you one result and if you squeeze, it will give you another. I remember the case of a person who was convicted by an Honorary Magistrate for ferocious driving because the Magistrate made out that he was driving at a tremendous speed of one million inches per hour. But when the case went before a Judge he said that it means only 15 miles per hour, which is not a ferocious speed and the man cannot be convicted for that. So it depends upon the unit which we choose and not upon the figures you have got. The first thing, which is very important, is that when you accept this proposition that the wealth of a country depends entirely upon the capacity of the country and upon the natural resources, then your money and your rupee is only a measurement. It is not wealth. It is only a measurement by which your wealth can be judged, and it is very necessary that your unit of measurement must have a fixed and definite value. If you judge it by means of the rupee or purchasing power, then the rupee has one value today, another tomorrow, and yet a different value altogether in black market. Therefore the rupee cannot be taken to be the unit of measurement. What then is the unit which can be taken to measure the wealth of a country? I think the only unit which you can take up is the wage measure, i.e., how much you require to keep up a man per day or per month, which I call 'unit of wage labour'. It can be judged by the wages of an individual. I mean the wage may be in terms of rupees; it may be five annas one day and Rs. 1-8-0 on another day. Before the war, the ordinary wage was five annas per day; at present the wage in the same locality is Rs. 1-8-0. This means that if you judge it in terms of rupees, the wage has increased five times. Therefore the unit of wage must remain the same. My point is that the wealth of a country should be judged by wage unit and the wage unit should be expressible. If you want really to express that in terms of rupee, then there must be some kind of co-relation and the co-relation should be a definite and fixed quantity between the wage and the unit, whatever it may be. In other words, we come to this conclusion—and I am giving up all the intermediary arguments—that your wage unit must be co-related with the purchasing power of the rupee, i.e., your paper rupee must have a definite and fixed purchasing power and should be expressible in terms of wage units which and which alone is a permanent factor. So, whenever you want to measure the wealth of a country, it is necessary that the value of the rupee should be fixed in terms of a fixed unit which I call the wage unit, and therefore its value should be definitely fixed. It is an exceedingly important point that you must have fixed purchasing power of the rupee. I have requested the Finance Member before from some other point of view and I express it again from this point of view that the value of the rupee should be fixed and definite as far as the purchasing power is concerned. What we find is quite different. The purchasing power of the rupee is something today and quite another tomorrow. In some cases I have got figures of price index of various articles. I have in mind only two commodities at the moment which really upset the purchasing power of the rupee—cotton piece-goods and wheat. Everything moves in a certain ratio to these two commodities, but these two commodities have been moving in a ratio which cannot be compared at all. My Honourable friend, the Finance Member, cannot put in an excuse that it is not his business; it is the business of the Food Member or the business of the Commerce Member. I cannot accept that explanation. It is his business to see that the unit of his measurement remains constant. I can tell you very clearly that the stability of finance of India will not depend upon the bank rate of interest and I think

it is misleading and not fair to the people of India to say that. In theory it is all right that you have cheap money so that the industries may prosper. It sounds very well but when you put it into practice, it goes against the poor man. Only big industrialists can take money at 3 or 4 per cent. from the Government and begin to earn money not only at 20 per cent. but sometimes 200 or 300 per cent. Then, is it not the duty of the Finance Member to step in and say such profiteering is not permissible? In 1924 we had the same problem before us, but at that time the Finance Member stepped in. The Honourable Member ought to have applied the same thing to these business concerns now, i.e., these people should have a definite percentage of profit and nothing more. If you allow them to make profits in a measure which cannot be expressed in terms of wage unit, it is unjustifiable. What right has a man got to grab large amounts of profit by putting money in a business concern, money which he really inherited from his father or grand-father. He cannot make as much interest if he deposits it in banks. The Honourable the Finance Member should have stepped in and prevented such things happening. He did not do it, and it means that he has not discharged his real duty as a custodian of the finances of India, and he has allowed indefinite profits to be made by people who are not entitled to it. The maximum profit ought to be fixed by law. If you don't see to that, communist feelings are bound to spread in this country.

Mr. R. B. Gupta: What right has the Honourable Member got to draw rupees one thousand per month when average income in the country is only 65 a year?

Dr. Sir Zia Uddin Ahmad: This assumption is wrong; I am not drawing one thousand rupees per month.

The next point is about the value of securities. During the Great War, when Sir William Mayor was the Finance Member, the value of these securities fell down to 51, i.e., the value of the rupee was reduced to half. My Honourable friend, the Finance Member, has by special manipulation been able to keep the value of securities in the neighbourhood of 100 and he did not let it fall. That is very creditable. But to my mind it is very well in peace time but during war time it is not a good policy. Do you know what has happened? The value of hundred rupees has gone down; the purchasing power of hundred is not hundred at present; the purchasing power of one hundred is 25. Therefore, really speaking, the value of securities has gone down from 100 to 25. It would have been much better if the value of these securities had fallen down to 51 and the purchasing power of the rupee had been the same. If you cash your securities you get 100 out of 100, but when you go to the market you get 25. Therefore, the real value has reduced to one-fourth. It would have been much better had the value of securities been reduced to 50 or even to 40, provided the purchasing power of the rupee had remained constant. Therefore, to have constant care about the bank rate of interest, and to see that the value of securities remains the same, but to give up altogether the idea of maintaining the purchasing power of the rupee is not good finance. It is a policy which will break the financial power of Government of India later on. In this connection of lowering the price level of the rupee, I find that we come back to the same position into which Germany fell in the years 1923 to 1926. People deposited large numbers of marks in England. The purchasing power went down. A person who had one billion marks in the German Bank got a letter to say that they had put on a stamp of one million marks on the letter and that his accounts were cleared. Therefore, if you allow the value of your currency to go down, there is a danger that the foreign credit that you are establishing may go down too. Now, our rupee is linked up with sterling at the rate of one rupee to 1s. 6d. We do not know what is the wage unit in England and in India. This artificial

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has got one minute.

Dr. Sir Zia Uddin Ahmad: In peace time it is all very well. But at the present moment you will have to compare the wage unit in the two countries and by that method alone you can link up the currency of one country with the currency of another. Tomorrow it is quite possible your balance will remain as it is. But then the value may go down and your purchasing power will be reduced. Therefore, there is a great danger of a transfer being effected if the purchasing power of the rupee is not checked. Therefore, it is desirable and it is the duty of the Finance Member, as the custodian of the finances of this country and the interests of the people to realise, that the purchasing power of his rupee and the value of it depends on the credit of the Government. He should step in and say this shall be the purchasing power of the rupee irrespective of what the Commerce or the Supply Member says. He should regulate all these things because they are more important than anything else, otherwise, I foresee enormous pitfalls in the future finance of this country.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): I cannot start without saying that the Honourable the Finance Member brought out a Budget which has a very depressing feature. That is not a feature of this year only but for the past few years he has been bringing out Budgets that are very depressing.

The Honourable Sir Jeremy Raisman: Very depressing to me.

Mr. Lalchand Navalrai: I was just going to say that it is now depressing to you. But the Honourable the Finance Member still goes on stronger year by year like Johnny Walker!

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): But not with Scotch Whisky but with South African!

Mr. Lalchand Navalrai: At any rate he fears nothing because there is power in his hands. He knows how to inflate currency and order money notes to be printed, and he also knows how to make and manipulate his Budget. He knows how to under-estimate revenue and over-estimate the expenditure.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): It is an underestimate in either case.

Mr. Lalchand Navalrai: At any rate he knows his business. Whether the country has got anything to eat or not, whether there is famine or not, he goes on eating for himself and feeding the British Government and the military.

What I would say is this, that when he has a method to do he should do something to raise his reputation and not get stronger year by year to burden India. There is, however, one redeeming feature. He has raised the lower tax limit to Rs. 2,000. But he should have done something more with regard to those poor people. He should have raised the assessing limit to Rs. 3,000. He can realise that under present circumstances the people have no capacity to purchase and I will show that their control systems and their rationing systems are not helping the public as much as they ought to. After all, if he is raising the limit to Rs. 2,000, the expenses of the Department will be the same. He cannot possibly lower the staff. The staff will remain the same for we have experience of that. When income-tax is reduced the staff remains the same and if it is increased then the staff increases. In that case it will be a great help to the people if he raises the limit to Rs. 3,000.

There will again be time to induce and appeal to the Honourable the Finance Member on this matter when the cuts come up or when the Finance Bill comes up.

Lastly, though the Budget has this redeeming feature, he has not left his old habit of increasing taxes if not here then there. This time he has raised the tax on betel-nuts. Well, I do not know how this commodity occurred to him, because it is such a small thing. It may be that he worked in the Madras Presidency sometime. Is that so? I do not know. Yet it seems his attention went towards Madras or Ceylon because in those places betel-nuts are in plenty. He thinks that this tax will not be taken notice of. He is making a mistake in that too. People have a habit and I will tell the Honourable Member that

those who take these betel-nuts, coffee and tea have cultivated a habit for these things. But coffee is something like food to them. Just as they cannot do without wheat and rice, so they cannot do without coffee. I have seen some of my friends going to the Coffee House four times a day. The Coffee House is the creation of the Honourable the Supply Member. So, you should not consider that coffee is an article which is being used as a luxury. If it were a luxury, then, of course, there will be some justification in taxing it. It has become more or less a necessity. So, betel-nuts, coffee and tea ought not to have been taxed. Now, there remains tobacco. I have no sympathy with those who smoke tobacco. I do not smoke myself and I would very much like that others also at least reduce smoking.

Mr. D. K. Lahiri Chaudhury: What about drinks?

Mr. Lalchand Navalrai: If it is a luxury, it may be taxed.

Mr. D. K. Lahiri Chaudhury: To some it may be a necessity.

Mr. Lalchand Navalrai: If it is a necessity to some people, then they will not take it by bottles but they will take it by spoons.

Now, Sir, so far as tobacco is concerned, there is one thing which I should like to bring to the notice of the Honourable the Finance Member. I have received a certain pamphlet on that subject from the manufacturers and they are complaining of certain inconveniences and they have mentioned certain difficulties which are in their way. Of course, this is not the exact time to mention them just now. I will put them before the House later on.

Then, Sir, with regard to rationing. Rationing has also many difficulties. Only two days ago, a friend came from Bombay and I asked him how rationing was going on there. He said that rationing was not working so well there. He said the first difficulty is the non-supply of food articles. I told him that the Food Member is full of praises for the working of your rationing system and he has also told us that he is getting you so much wheat from Australia and from other places. He told me that many a time people are told by those who run these rationing shops that they have not got the article which they want to store and ask them to come the next day, and the next day they are also told the same thing. I have a personal experience of this affair as there is rationing of wheat, sugar and some other articles at our place. Today they will say there is no wheat, next day we are told that it has not yet arrived, on the following day we are told that it has been exhausted or they will say that I have forfeited my right. When I say that it is not due to my fault because I had been coming to you for several days, they say they cannot help. The same thing is going on perhaps in Bombay. I do not know what will be the fate of Karachi, because this rationing scheme has just begun there. So, more care should be taken so far as rationing is concerned. You should see that there are sufficient supplies. Unless you have adequate supplies, you should not introduce rationing. Let all people be treated alike.

Then, I come to the control of prices. That is also very defective. In this connection, I would refer to two things. Either the Department fixes more price of certain articles than it should or the control price that has been fixed is such that it is more than the selling price in the market. I know that there are certain articles which are being sold at a lesser price than the price fixed. When we ask the reason for selling it at a lower price, we are told that the people do not afford to take it at the control price. That shows that the control price is higher than the market price. Therefore, the Department ought to be very careful in fixing the price. I know there are no representatives of the trade who are consulted in fixing these prices. It is solely some officers who are in charge of rationing who fix these prices, and these officers are supposed to know every thing.

The Honourable Sir Jeremy Raisman: Generally, the control prices are the maxima which cannot be exceeded, but there is no harm if they are not reached. My Honourable friend ought to be pleased when he finds that the actual prices are somewhat less than the maxima.

Mr. Lalchand Navalrai: But the maximum prices are also put at a higher rate. Take, for instance, the textiles. It is said that Government has put

[Mr. Lalchand Navalrai.]

a higher price there perhaps because they want more money from them in the shape of income-tax.

The Honourable Sir Jeremy Raisman: That is a complete lie when it is said.

Mr. Lalchand Navalrai: I wish it were a lie but that is what we have been told from more than one source. If the Honourable Member will ask me privately, I will mention to him a concrete case. I won't mention it on the floor of the House.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Now, Sir, I come to the question of war expenses. It is a white elephant and it is eating away our vitals. Of course, we cannot help it because, after all, it is the world war and I do not deny that we should also share the expense of the war. But there should be some justification for charging the Indian exchequer. We ought to know how much is being spent from the Indian exchequer for defending India. That is the first thing. I have put direct questions on this subject. I have asked how much is being spent on behalf of India and how much on behalf of the United Kingdom, but the reply has always been that they have got no figures. If there are no figures, how are you going to satisfy the country and the House that a fair and equitable financial settlement has taken place. The public should be satisfied on that point. We have the instance of the last war when you went on spending just as you are doing now. When the question came of squaring up the accounts, what happened? Arbitrators had to be appointed to do this and we do not know what happened—whether the award was just or not. In a like manner, you are keeping no accounts to show how much money has been spent for India and how much for the others. When afterwards you say that India has so much due to her from Britain, how are you going to do it? We know how these accounts are taken—the British people will say: "No; we will not pay you for this item because it is for the purpose of India". And we will have to be satisfied with that. But will we be associated with that when the settlement is made? Is there any assurance going to be given to us that we will be so associated? No. They do it *ex parte* and they fix their own sum and poor India suffers; the Honourable the Finance Member may say that the war is won; but in what way? I think there is some deception in it. I submit that the points should be made clear; even now in the Budget the Honourable Finance Member should give it.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Lalchand Navalrai: I do not want more. The Honourable the Finance Member should get up and tell us during this Budget time or during the Finance Bill how much it is at present, so that we will be in a position to tell the Finance Member whether we are satisfied with it or not, and to bring the account to a proper conclusion.

The Honourable Sir Jeremy Raisman: What is it that the Honourable Member wishes to know? What are the figures he wants?

Mr. Lalchand Navalrai: I want to know how much is spent for the British and how much for India and how much India have to pay for this war up to this time and how much has been paid and how much the British have to pay, so that we may know our position.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. Lalchand Navalrai: Very good, Sir.

Khan Bahadur Mian Ghulam Kadir Muhammad Shahban (Sind Jagirdars and Zamindars: Landholders): Sir, I am not one of those, who think that anything and everything, in season and out of season, is good enough to beat the Government with. I for my part have never refrained from criticism whenever it was necessary, nor am I going to be afraid of giving praise where and when it is due.

THE GENERAL BUDGET—GENERAL DISCUSSION

The Honourable the Finance Member has presented his Budget for 1944-45. I have no hesitation in acclaiming it as one of the best performances in the realm of finance. It is true that he has not been so very fortunate as the Honourable the War Transport Member, who has given us a surplus Budget. But he has gone one better. Under the greatest handicaps he has produced a Budget, which has minimised the hardships and evils which a great war always produces, to the maximum extent possible by adjustments of taxation and expenditure.

The financial year 1943-44 is expected to close with a total revenue of Rs. 254.50 crores which is Rs. 35.50 crores more than the original Budget expectations. I cannot appreciate the criticism against this. Evidently, there are some in this world who would hug misfortune, rather than view with joy the prospect of a lighter burden. Sir, I think all criticisms against under-estimation of receipts, which are repeated *ad nauseam*, are simply for the sole satisfaction of having criticised the Government. But for the better revenue receipts, what would have happened is this: the expenditure would have been there all right; but there would have been an additional burden, very largely of tax, to the tune of 35.50 crores. We are engaged in a titanic struggle against the evils and might of Nazism and the dark arrogance of the Japanese imperialism. Neither the might of the Germans has been as yet broken, nor their Aryan friends of Mongol extraction have been exhausted. It is true that cracks have begun to appear on the Nazi walls, and the Japanese are uneasy in their minds when they think of the now not so distant a day when the allied aerial and naval armada would blacken their skies and horizons and extract the justly due retribution from them. But there is still an uphill way to climb and a tortuous way to wind. Our country is justly and legitimately taking a noble part in the destruction of aggressors. The price paid by this country by way of defence expenditure against the evil designs of the Nazi and Japanese supermen, is by no means high.

Sir, I would advise my friends to devote a little time to the study of the defence expenditure of India. Not one bee but several bees are in the bonnets of some of my Honourable friends in this Assembly. They are under the impression that India is bled white for the prosecution of this war. It is true that we are spending enormous amounts on war and war preparation. But it should never be overlooked that our position in this respect is infinitely better than that of any belligerent country. Out of the total expenditure incurred in India on defence and supply during the 5 years between 1939-1940 and 1943-44, the amount finally charged to Indian revenues under the terms of the Financial Settlement is now expected to be about Rs. 800 crores, leaving a balance for the same period of about Rs. 940 crores at the debit of His Majesty's Government. Rupees 800 crores in five years mean on an average only about Rs. 160 crores per annum.

It is a welcome news indeed, Sir, that the setting up of the new South East Asia Command under that able warrior, Admiral Lord Louis Mountbatten, has not added to our liability for defence expenditure. If it was anything otherwise, our military expenditure would have been simply colossal. While undoubtedly severe burden on the economy of the country is imposed by these fresh operations, the Finance Member deserves the gratitude of every Indian for his fight against fresh burdens on this country. The Government of India indeed do well deserve of this country for making it clear to the British Government that no further substantial increase in the overall quantum of war demands on India's resources can be met without grave risk of economic collapse. What is more, we have it on the authority of the Finance Member that the Government of India have also made no bones in emphasising in unambiguous terms that an early lightening of India's present burden should be ensured by the release of goods for vital civil needs and that certain types of supplies and productive capacity at present appropriated for war purposes is essential for civilian consumption if the unhealthy tendencies now manifesting are to be

[Khan Bahadur Mian Ghulam Kadir Muhammad Shahban.]

counteracted. Our land forces are now grown and are sufficiently strong for local defence purposes. An assurance has been given and that at the proper moment too, that in case, the present strength is exceeded, the cost of such excess would not fall on this country. Such an arrangement is only just, because Indian troops would be in that case engaged in warfare not only for India's defence but also in fighting the battles of her Allies. Above all, Sir, it should give us all joy that our Navy has operated in British waters and participated in various operations in the Mediterranean, including the invasion of Sicily. India's coastlines are great and it is to be hoped from the foundations laid in this war, a mighty navy, a navy belonging to this country and manned by her children would be built up. Indian Air Force, we hear would soon be ten squadron strong. As the future, I may mention to the amusement of some of my Honourable friends, is at in the air, I repeat my hope in regard to the development of air force, the same I entertain in regard to the future naval might of the country.

I am sure I have the support of my Honourable friends. Mr. N. M. Joshi and Mr. Jamnadas Mehta, when I congratulate the Government for the liberal provisions they have made and are contemplating to make in regard to dearness allowance and provision of supplies at concessional rates which now amounts in all to Rs. 286 lakhs.

Our industrialists, may be, why, must be sore at having all their excess profits taken away; at any rate for the time being, on account of the new proposals for immobilising all their excess profits. But then, let us look at the other picture. The value of the orders placed by the Supply Department has risen from Rs. 184 crores in 1941-42 to Rs. 256 crores in 1942-43. It must be considerable in 1943-44 also. They may ask, what is the use when the Government have taken all the profits. But then, the Government have not expropriated all the profits. That part, in excess of the Excess Profits Tax would be returned to them after the war. What is more, the Government is keeping it safe for them! Joking apart, in my opinion, the Government have really acted in the interests of the future reconstruction and industrialisation of the country. Immediately, it checks inflation. So far as the future is concerned, the money would be returned to the capitalists when the peace time normal industrialisation would be their paramount consideration instead of the war time projects consequent on the shortage of imports absorbing all their capital.

The economists and Professors of India have in general been true to their calling. In this, they have not, and rightly too, chosen to differ from their contemporaries in the advanced western countries. The remedy advocated by these specialists is taxation, loans and compulsory savings. So far as the tax proposals are concerned, no right thinking economist or public man can object. It cannot be avoided either for meeting the war needs or for combating the inflation which every war in the world brings in some measure or other. That being so, one has to make the best of the bad bargain by adjusting it—I mean the system in such a manner that it is fair and equitable. So far as the equity part is concerned the rich have been rightly and properly tapped. As in all civilised democratic society every one should be made to contribute according to his ability, the indirect taxes such as those envisaged in the proposals on tobacco, tea, coffee, etc., which are luxuries even though they be styled as poor man's luxuries cannot and ought not to be objected to.

Sir, once again, I reiterate that the Finance Member has done the best he can under the circumstances and he deserves well of this country for so very skillfully piloting the finances of India under the present abnormal conditions.

Mr. Muhammad Nauman (Patna and Chota Nagpur cum Orissa: Muhammadan): Sir, I have no desire to detain the House on the discussion of general finances, as revealed in the budget, as I believe the House and the Honourable Member are aware of the re-action in the country and criticism which has been levelled by the different commercial magnates who were assembled in Delhi a

few days ago in connection with the meeting of Federation of Indian Chambers of Commerce. We know, Sir, now our finances are. I would hardly like to make any comment on the general proposals of taxation but I would much like to refer to the principles involved in the finances of this country. What we find is that the distinctive features of the Budget remain more or less closed and is without any foresight for the future. The war expenditure is mounting up every year to a huge figure. Last year it was the definite opinion in this country that India could not be saddled with the growing military expenses and it was the opinion even of the Prime Minister of England in 1924 when he said in the House of Commons that India could not bear any taxation in the matter of army as it was more or less in the nature of an army of occupation and His Majesty's Government should bear the burden. That being the position, we were told last year by the Honourable the Finance Member that in the financial settlement the burden to this country was rather small than what it would have been. But looking at the figures and looking at the apportionment of amounts, we find that we cannot be convinced of that position, particularly, when it is not revealed what amounts will fall to our share under lease-lend arrangement. That is not given out to us and it is still under His Majesty's Government's arrangement and it will probably be decided by His Majesty's Government without any reference to this House or to the Government of India. Now, Sir, the broad issues about stability in finances has been very well discussed by my Honourable friend, Dr. Sir Zia-uddin Ahmad, and we feel that no effort has been made to stabilise the rupee currency of this country. Although we know that sterling has deteriorated to some extent, and nobody can forecast as to what would be its position in the world exchange in future, yet we are still linked to it and we are not making any programme of liquidating the sterling securities we held in England and we are just in a position in which nothing can be ascertained and nothing can be said. I do certainly feel that the Honourable the Finance Member has made a very good exposition of the finances as they exist today in India in matters of receipt and expenditure. But he has not made us any the wiser as to what situation we will have with regard to sterling balances. We are told a certain part of it may be utilised for buying certain railways which we have done. Last year, Honourable Members of this House tried to impress on the Government the great necessity to liquidate some part of the sterling balances that we hold there. We find no appreciable improvement in that direction as well. We are not the only country who have been supplying war materials; there are other countries, the colonies and dominions like Canada, South Africa and Australia who have done it, but perhaps none of them accepted that position. Last year the Finance Member said that in some way Canada and Australia offered them better terms; but in the matter of supply and exchange they did not agree to anything but trade on the basis of gold exchange.

The Honourable Sir Jeremy Raisman: Is not the Honourable Member aware that Canada has provided 2,000 million dollars by way of lend-lease, that is, supplies without payment?

Mr. Muhammad Nauman: I am aware of that but that was a different account. So far as sales have been made they have been paid through the dollar gold. The Honourable Member will correct me if I am wrong. But I was all along given to understand that that amount which was contributed by Canada in lend-lease bill was a separate Black account and it was not being paid for with the commodities that were being sent to the United Kingdom or to the Allies through their Supply Department.

The Honourable Sir Jeremy Raisman: That is precisely what it is used for.

Mr. Muhammad Nauman: I did not know that position and it is difficult to understand other countries' financial obligations. However, at least the Finance Member knows that our finances have not been very sound for many years and although the Honourable Member has tried his level best to make both ends meet by saddling the present generation and posterity with taxation and borrowing—probably more on posterity through borrowing, the Honourable

[Mr. Muhammad Nauman.]

Member must appreciate the fact that our taxation has already gone up by about 300 times above what we used to have in normal times. This is in spite of the fact that according to the Honourable Member our burden of army expenses is shared to a very great extent by the Allied nations and the United Kingdom. Novel methods are utilised in the matter of taxation; I refer particularly to the Transport Member having levied a 25 per cent. increase in the fares and thereby tried to get about 35 crores to be contributed to the general exchequer. I do agree that in this particular budget, as the Finance Member has revealed, he has tried to give one relief, namely, by raising the taxable income from Rs. 1,500 to Rs. 2,000; and I must say that it is appreciated all over the country, but this is not all that this country desires. Then again, his proposal of direct taxation does not call for very much criticism; I say, these are not the real questions of importance in the finances of the country. The issue is what would happen and how we will be able to liquidate our huge sterling balances piled up in the United Kingdom and what would be the position of our rupee as linked to sterling at 1/6 if sterling depreciates in value and nobody can foresee the extent of depreciation. That position has not been explained to us. It is not a question only of making the expenses and income of this country balance; it is the duty of the Finance Member at this particular juncture to tell us what prospects are there for maintaining sources of income and what economy can be planned under the heads of expenditure, how they are managing it, and also what is the total wealth of the country and how it is being invested and made use of. At present of course we are in the midst of war, whether we like it or not and whether we sanctioned it or not, we are in it, and one thing must be made clear to us, namely, what will be the position of sterling securities that we hold to which the rupee is linked if sterling depreciates. That has not been made clear and I should like an elaborate statement on that from the Finance Member. With these few remarks, I take my seat.

Sri K. B. Jinaraja Hegde (West Coast and Nilgiris: Non-Muhammadan Rural): Sir, the war has added an enormous burden to India's economy and the Finance Member has been aware, as appears from his budget speech, that he expected a crash at some time or other. One thing that has been worrying us all these years ever since the war started is the question, why India's economy has been so much linked to British economy and why India should be purchasing all sorts of goods required for the war and still not finally settle the accounts with Great Britain. We are reaping the worst of that position. We are purchasing not only British requirements in India but also purchasing requirements of the United Nations, and in return what we get is only a paper credit, and as against that, rupee notes are freely printed and distributed. The effect of that procedure has been very patent in this country. It is really a surprise why the Finance Member did not take a lesson from Britain in the matter of restricting inflation. We find that in spite of the war and the serious part which Britain has been taking in it the living index has not increased by even 25 per cent. in Britain, and in America it has not increased even by 15 per cent.; whereas the figures given by the Finance Member in this Explanatory Memorandum show that the living index has increased in India; in some places by 200 per cent. and in some other places by 300 per cent. If at all if there is any occasion to discuss this matter it is the occasion when the budget is presented to this House and I expected the Finance Member to explain why we find so much of difference in the living index, instead of simply telling us in the Explanatory Memorandum that there is so much difference and so much rise in the living index. To my mind it is due to the most foolish policy that the Finance Member has been following in this country ever since the war started. Sometimes we are comforted by being told that we are building up huge sterling resources in Britain. We have an indication in his speech as to what is going to happen to these sterling securities. Some of the leading industrial magnates of our country have put forward the view that these sterling securities should be utilised for

post-war reconstruction. That suggestion elicits a reply from the Honourable the Finance Member to the effect, that it ought not to be used in that manner, but it must be kept as an asset for the future. I ask him whether in the past we had any such sterling securities and how we had utilised such sterling securities. There is a fear in the country that one day or other immediately after the war these sterling securities which are being built up day by day are going to vanish under some jugglery or other. I want an assurance from the Honourable the Finance Member as to what he is going to do with these sterling securities. There is no use of making huge purchases on behalf of Britain and America in this country and adding in the account books figures showing that we have so much sterling securities. I want an assurance as to how these sterling securities are going to be utilised.

When we come to the defence expenditure, we find that during the course of the war it has increased from 46 crores to 276 crores. About 10 crores have been spent by the railways for extension of railway lines called the strategic lines, and that ought to be added. That comes to 286 crores, plus there are railway concessions shown for the military and their goods. In addition to all this, almost all departments of the Government of India and the Provincial Governments are spending more on account of the war. If a proper account is taken as to the burden of this war, I am certain in my mind that we are spending not less than a crore a day. What is the benefit? We do not know. Our expenditure on this war, our credits given to America and England will be adjusted, but when and how? Nobody knows. We are told that there is a ceiling fixed in the matter of men and material, but we do not know what that ceiling is. At the same time expenditure is incurred without consulting this House, by giving false figures at the time when budget is presented. Already many Honourable Members have made reference to the fact that 50 crores and 100 crores were spent in the past more than what is provided for in the budget. Why has not the Finance Member come forward and called a special Session of this House and asked for more money? Is it fair to this House to come and say at the end of the year, I have spent 50 per cent. more, or 80 per cent. more, and present us these figures? It is absolutely no consolation to this House. In peace time, if anybody had said that India was capable of spending 276 crores on war, nobody would have believed it.

Sir Muhammad Yamin Khan: 300 crores including capital.

Sri K. B. Jinaraja Hegde: Yes, 300 crores. If anybody sees these figures he will simply be flabbergasted to see that a country like India should spend 300 to 350 crores in this war. But, Sir, these figures . . .

The Honourable Sir Jeremy Raisman: I suppose the Honourable Member realises that it has all been received in this country too, not spent outside the country.

Sri K. B. Jinaraja Hegde: That is exactly what I want to explain, I was coming to it. How this is made up we have to understand first. Under income-tax, we find that in 1938-39 the revenue was 15.8 crores. Today the Honourable the Finance Member has been able to collect 158 crores, ten times more. Has the country become so rich all at once in these five years as to increase our income-tax by ten times?

Mr. N. M. Joshi: Paper money.

Sri K. B. Jinaraja Hegde: Exactly. This is due to nothing but paper money. These increases in income-tax do not show that our country has increased in its wealth. It shows how jugglery of figures has been made and how paper money is freely issued. There is another lesson I want the House to draw from these figures. Under income-tax, excess profits tax and corporation tax, we find Rs. 158 crores were collected, and the Honourable the Finance Member expects 44 crores more this year. I think I am correct. When we know that this increase is simply artificial on account of inflation, we must also realise that this increase is also due to inflation in prices and the excessive profits which the industrialists and businessmen were making all these years. There is absolutely no doubt about it. Now, the Government has started to

LEGISLATIVE ASSEMBLY

Tuesday, 7th March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

CURTAILMENT OF FUEL RATIONS TO GOVERNMENT STAFF.

321. *Mr. T. T. Krishnamachari: Will the Honourable the Home Member be pleased to state:

(a) whether it is a fact that fuel rations allowed to gazetted and non-gazetted staff working in New Delhi have been curtailed with effect from the 1st February, 1943;

(b) whether those rations were based on the salary of the person concerned and not on the requirements of his family;

(c) whether the rations fixed for persons getting a monthly salary of anything below Rs. 600 was a maximum of three maunds, in all, of coke and coal;

(d) whether in cases where food articles are rationed, it is computed on the number of persons constituting a family, irrespective of its income; and

(e) if the facts mentioned above are correct, the reasons for adopting different standards in respect of rationing food articles and fuel?

The Honourable Sir Sultan Ahmed: (a) No, but maximum limits have been prescribed for that portion of the rations which may be taken in the form of charcoal.

(b) Both the salary of the person concerned and the size of his family are taken into consideration in determining his rations of fuel.

(c) No. As I have stated above, the rations given to a Government servant depend both upon his salary and upon the size of his family.

(d) Not solely; income is also taken into consideration to some extent in rationing food grains and sugar under the Essential Supplies Scheme. Thus inferior Government servants are given larger rations of wheat and rice than those allowed to other Government employees.

(e) The facts mentioned by the Honourable Member are, as I have shown, only partly correct. It is in any case obvious that different principles must be applied in determining rations of food on the one hand and fuel on the other since each individual member of a family consumes an individual share of the food whereas one fire normally cooks a meal for several persons.

Mr. T. S. Avinashilingam Chettiar: When an increased ration of food is given, is not an increased ration of fire wood necessary to cook that food?

The Honourable Sir Sultan Ahmed: If the increase is given it is given to all.

IMPERIAL SECRETARIAT CIVIL GROCERY SHOPS.

322. *Mr. T. T. Krishnamachari: Will the Honourable the Finance Member be pleased to state:

(a) if complaints have been received about the working of the civil grocery shop which has been opened in the Imperial Secretariat;

(b) the object of opening the said shop;

(c) whether he is aware that most of the articles stocked there are not such as are required for clerks and assistants and others like them;

(d) whether the few articles that are of use to such people are usually sold out in a few days, and the articles mostly in stock are tinned and canned stuff;

(e) whether many of the articles sold in December and January were above the market price;

[Sri K. B. Jinaraja Hegde.]

control the prices of industrial goods as well as goods coming out from agriculture. If there is any truth behind this control, if the prices are really going to be controlled and if the profits are really going to be controlled, I wonder how the Honourable the Finance Member is going to get 44 crores more. I believe there is some truth in certain Honourable Members' allegation that prices are not really controlled because Government wants to get more money under income-tax.

The Honourable Sir Jeremy Raisman: Estimates for next year are based on profits which will have accrued during the present year.

Sri K. B. Jinaraja Hegde: Is the Finance Member going to say that from next year onwards income under this head is going to diminish? I am sure in my mind that it is not going to be reduced and the control of prices is not going to affect this revenue. If it is going to affect this, how is he going to balance his budget from next year onwards? If this increase of income-tax is not going to balance his budget this year, how is control of prices of goods in this country and control of profits going to help him in balancing his budget?

Now, we find the budget is being balanced by increased borrowing. He was very critical of the so-called Bombay plan and he began to distinguish between borrowing during peace time and borrowing during war time. In order to combat the inflation, there is the accepted method of increasing production of both agricultural and industrial goods in this country. But we find that his speech and his plan are absolutely barren so far as this important aspect of the problem is concerned. And he says that future plans of post-war reconstruction are in the making. I do not know whether this huge mountain in labour is only going to produce a mouse at the end of a few months. There is an indication of a new tax which is going to be imposed very soon in this country and that is called the death duties. We are told that the income out of this death duty is going to be utilised for the post-war reconstruction. This programme of post-war reconstruction has to be judged from the results of 'Grow More Food' campaign which has produced more food in this country? There is another bogey that is started—post-war reconstruction. We do not know what you are going to reconstruct. We do not know what are the plans. But still very soon we expect to have a Bill so that we may sanction what is known as death duty. Sir, we want to make it clear at this juncture that we cannot be a party to this sort of Finance Bills and taxation. We are not going to entrust a single pie in the hands of Government either for post-war reconstruction or to balance the budget. If there is really any programme for the post-war reconstruction, and if under that programme our agricultural and industrial products are going to be increased and thereby the problem of inflation is to be fought, then certainly we are going to help; otherwise, we do depend upon this House to throw out these Bills.

5 P.M. Sir, the Finance Member said that he spent about two crores on the campaign of 'Grow More Food'. I happen to be one of the members of my District Food Council and I remember a circular was sent there saying that people should be advised to collect bones and use it as bone-meal, so that more food could be grown. A friend of mine, who is also a member of that District Food Council, funnily remarked; if Government is not going to help in growing more food, it won't be difficult to collect bones very soon. This is very true. We have in his speech that only two crores were spent on this campaign whereas he provided 276 crores for war account. He does not think that providing food in the country is more important or at least as important as providing enough money for war. Sir, we have no details as to how these two crores have been spent or how much he wants to spend in future. It seems to be a huge joke. We do not have figures to show how many new acres of land have been brought under cultivation under this 'Grow More Food' campaign. It is a patent fact that we have something like 94 million acres which can be brought under cultivation, and the land which is under cultivation is only irrigated to the extent of 16 per cent.; 84 per cent. of land still require water, but we find that there is no programme for providing water under this 'Grow More Food'

campaign. We do not know as to whether they are going to erect dams or take advantage of rainwater in order to grow more food. There is no programme to supply the requisite manure. Why? Take the case of Britain. She is fighting this war day and night but at the same time she is encouraging cultivation. She has intensified her agriculture, she has brought new land under cultivation. On the other hand, look at this country, which is mainly agricultural and where, out of every ten persons seven are engaged in agriculture and where the Central Government has got a programme of 'grow more food', and yet we find absolutely no attention is paid to this important aspect of the administration. Sir, it won't be long, if they continued at this rate, before we find another famine, not only in Bengal but in all provinces of this country. I want that the Government must devote some more of their time and money in this important programme.

Sir, the budget, as it stands, imposes new taxes, on areca-nuts, tea and coffee. As my Honourable friend, Mr. Jannadas Mehta, observed, what is he going to collect from this new taxation? He is going to collect ten crores out of these items. Look at the class of people from whom he is going to collect this tax. He is going to collect this from people in the lowest strata of society. Does he know, Sir, where areca is grown? Areca-nut is taxed to the extent of 50 per cent. by way of custom duty. If I am not wrong, the Central Government even now is collecting custom duty on this import. The Finance Member wants that when it goes to the hands of wholesale dealers it should be charged at two annas per lb. In the year 1938-39 the price of areca was two annas per lb. and today he wants the areca should be taxed at two annas per lb. by way of excise duty.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member's time is up.

Sri K. B. Jinaraja Hegde: Sir, I have finished.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 7th March, 1944.

(f) the nature of the contract under which the shop is run, and whether any Government officer is deputed to see that only useful articles are stocked, and that they are not sold above market prices; and

(g) how long Government propose to run the shop under present conditions, and whether they propose to take the advice of two or three representatives of the Imperial Secretariat Association in running the shop?

The Honourable Sir Jeremy Raisman: (a) A few complaints have been received but on the whole the establishment of the Civil Grocery Shops has, it is understood, been appreciated by the general body of Government servants.

(b) The shops have been established with the object of enabling Government servants to obtain their household requirements at reasonable prices.

(c) and (d). The articles stocked in the shop are for the most part those which it has been possible to obtain through the Canteen Stores Directorate. These consist mainly of processed foodstuffs, patent foods, stationery and toilet goods. Supplies of some of the articles are extremely limited but efforts are being made to obtain additional supplies to the extent possible without unreasonably restricting the quantities available for sale to the general public. Efforts are also being made to add new lines which would be of particular use to the lower-grade employees. For instance *gur*, tea and matches are now available in the shops. Proposals are also pending to arrange for the supply of cooking media, washing soap, etc., and to establish additional shops for the sale of cloth, (woollen and cotton) hosiery, and footwear.

(e) No.

(f) Under an agreement with Government the contractor provides the entire capital and sells goods to authorized persons within their monthly quotas at prices fixed by Government. A Special Officer has been appointed to ensure that the scheme is properly worked.

(g) It is proposed to continue the scheme as long as the need for relief to Government servants continues. An Advisory Committee, on which the Imperial Secretariat Association and other sections of the consumers are represented, has already been appointed to advise Government on the working of the scheme.

PROPOSED INCREASE IN PENSIONS OF RETIRED INDIAN CIVIL SERVANTS RESIDING IN BRITAIN.

323. *Mr. K. S. Gupta: (a) Will the Honourable the Home Member please state whether there are any proposals sent by the Secretary of State for India to increase pensions of the retired Indian civil servants residing in Britain? If so, is he prepared to lay the relevant papers on the table?

(b) What are the conclusions of the Government of India on this subject?

(c) Are the Government of India aware that essential foodstuffs are far more costly and prohibitive in India than in Great Britain?

The Honourable Sir Sultan Ahmed: (a) Government know of no such proposal.

(b) and (c) Do not arise.

BYE-ELECTION FOR THE SEAT OF THE LATE MR. SATYAMURTI.

324. *Mr. G. Rangiah Naidu: (a) Will the Honourable the Home Member please state whether the Central Government are aware of the restrictions imposed by the Provincial Government of Madras on the Congress candidate who stood for the Indian Legislative Assembly by-election (Non-Muhammadan Urban) in the City of Madras in the months of May and June, 1943, for the vacancy caused by the death of my late lamented friend Mr. S. Satyamurti? If so, was the Provincial Government justified in allowing election privileges to the opponent (Justice Party) of the Congress candidate and disallowing such privileges to the Congress candidate?

(b) Is it a fact that when the Congress candidate requested the Provincial Government to grant permission to hold election meetings in the city, he was asked to openly declare that he did not belong to the Congress Party? If so, has the Provincial Government acted so under any rules or regulations that authorised it for its action?

(c) Is it also a fact that election propaganda of the Congress candidate was impeded by arresting his workers?

The Honourable Sir Sultan Ahmed: (a) The Congress candidate was not permitted to hold election meetings because general orders were in force prohibiting the holding of meetings by members of unlawful associations.

(b) No.

(c) I understand that six persons were arrested in connection with the election for taking out a procession without a licence. They were sentenced to pay fines ranging from Rs. 10 to Rs. 15.

Mr. T. S. Avinashilingam Chettiar: May I know whether the Congress is an unlawful association today?

The Honourable Sir Sultan Ahmed: On the outbreak of the disturbances in 1942, the Madras Government declared certain bodies to be unlawful associations under the Criminal Procedure Code. Following this declaration, orders were issued by the Commissioner of Police, Madras, under Defence Rule 56 prohibiting the holding of meetings by members of this association. These orders are still in force. Mr. Rangiah Naidu, the Congress candidate, I presume the Honourable Member who put the question to me, for the bye-election referred to by the Honourable Member was proposed by the Vice-President of the Tamil Naidu Congress Committee, one of the bodies declared to be unlawful by the Madras Government.

Mr. T. S. Avinashilingam Chettiar: May I tell you that Mr. Naidu does not belong to the Committee.

The Honourable Sir Sultan Ahmed: I do not know.

Mr. T. S. Avinashilingam Chettiar: May I know who supplied that false information?

The Honourable Sir Sultan Ahmed: He is the Vice-President, so far as I can see.

Mr. T. T. Krishnamachari: Are the Government aware that such restrictions would militate against the holding of bye-elections?

The Honourable Sir Sultan Ahmed: That is a matter of opinion, but I am glad to find that the Congress Member has been returned.

Mr. T. S. Avinashilingam Chettiar: It was made clear that the Tamil Naidu Working Committee was the only banned organisation. I also made it clear that members of the Congress who are not members of the banned organisation could conduct meetings for the bye-election.

The Honourable Sir Sultan Ahmed: My Honourable friend is giving information to me.

Mr. T. S. Avinashilingam Chettiar: Was it made clear that members of the Congress, who are not members of the banned organisation that he has mentioned, i.e., the ordinary four anna members, could conduct election meetings?

The Honourable Sir Sultan Ahmed: I do not know.

Mr. T. S. Avinashilingam Chettiar: May I know whether the Government will impress on the Government of Madras to make the position clear and to tell them that what they have done in the past is wrong?

The Honourable Sir Sultan Ahmed: I am sure the Madras Government recognises its responsibility.

Mr. T. S. Avinashilingam Chettiar: May I know from where they got the information that he was a member of the Tamil Naidu Congress Committee?

The Honourable Sir Sultan Ahmed: Nobody said it. I said he was proposed by the Vice-President of that body.

Mr. T. S. Avinashilingam Chettiar: Proposed in the nomination paper?

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

(At this stage, Mr. G. Rangiah Naidu rose in his seat and was addressing the Chair.)

Mr. President (The Honourable Sir Abdur Rahim): Mr. Naidu, next question. Order, order.

DEARNESS ALLOWANCE FOR LOW-PAID PENSIONERS.

325. *Mr. G. Rangiah Naidu: (a) Will the Honourable the Finance Member be pleased to state whether Government pensioners, Central and Provincial and also those of local bodies in the country, who are drawing poor pensions, are being given war (dearness) allowance? If so, at what rate? If not, why not? (b) Was the question of paying dearness allowance to pensioners ever contemplated by Government?

The Honourable Sir Jeremy Raisman: (a) and (b). The Government of India have sanctioned for service pensioners paid from civil estimates temporary increases of Rs. 3 in pensions upto Rs. 20 per mensem, and of Rs. 4 in pensions above Rs. 20 but not exceeding Rs. 40 per mensem with marginal relief to pensioners drawing Rs. 41 to Rs. 43 inclusive. The Governments of Bengal, Madras and the United Provinces have also sanctioned similar increases for their pensioners. The Government of India are not aware if such increases have been sanctioned by the remaining Provincial Governments and the local bodies in the country.

INDIAN INSTITUTE OF INTERNATIONAL AFFAIRS.

326. *Mr. K. S. Gupta: (a) Will the Honourable Member for Information and Broadcasting please state if there is an Association called 'Indian Institute of International Affairs' in existence? If so, when was it started and under whose auspices?

(b) Is the Honourable Member the Chairman of that Association by virtue of his official position?

(c) Are payments made out to this Institute from public revenues? If so, to what extent?

(d) Does the Honourable Member propose to lay on the table of the House papers relating to the organisation and record of the said institute?

The Honourable Sir Sultan Ahmed: (a) The Institute of International Affairs was inaugurated on 3rd March, 1936, at a meeting held at the Viceroy's House, New Delhi, under the presidency of the Marquess of Willingdon, shortly before the expiry of his term of office as Viceroy of India. At the inaugural meeting of the Institute, Commander Stephen King-Hall, R. N. represented the Council of the Royal Institute, England.

(b) No.

(c) The Institute has recently received a grant-in-aid for two years of Rs. 83,000 for the 1st year and Rs. 73,000 for the following year.

(d) No. The Institute is an un-official organisation but I am sure the Secretary will be very glad to reply to any requests for information.

COMMUNAL COMPOSITION OF W.A.C. (I.).

327. *Mr. Govind V. Deshmukh: Will the War Secretary please state:

(a) the number of the W.A.C. (I.);

(b) how many of the corps are (i) Hindus, (ii) Muslims, (iii) Indian Christians; and (iv) Parsis; and

(c) if Begum Shah Nawaz, who was making contacts and speeches in several provinces of India during the last year suggested any steps to stimulate the recruitment of the W.A.C. (I.)?

Mr. C. M. Trivedi: (a) 7,703.

(b) (i) Hindus 359, (ii) Muslims 74, (iii) Indian Christians 1,209 and (iv) Parsis 254.

(c) No, Sir.

Mr. Lalchand Navalrai: May I know why the Indian Christians are so many and not the other communities?

Mr. C. M. Trivedi: The Indian Christians have offered themselves for recruitment in large numbers, while other communities have not.

UNIFORMS OF W. A. C. (I.).

328. *Mr. Govind V. Deshmukh: (a) Will the War Secretary please state if it can be made optional for the Hindu, Muslim, Indian Christian and Parsi women

of the W.A.C. (I.) to wear shirt blouses with sarees in lieu of bush shirts with sarees?

(b) Are there any officers of the abovementioned communities in the W.A.C. (I.)? If so, how many, and what are their ranks?

(c) Were these lady officers consulted when the uniform was fixed for them, i.e., W.A.C. (I.)?

(d) Is he aware that colour and smartness of the uniform are one of the great factors in stimulating recruitment of women to the W.A.C. (I.)? Is he aware that in America and Great Britain it is so considered and acted upon?

Mr. C. M. Trivedi: (a) Indian members of the Corps have the option of wearing the bush shirt cut short at the waist and tucked into the *saree*, but I will have the matter examined further in the light of the Honourable Member's question.

(b) The answer to the first part is in the affirmative. As regards the latter part, a statement has been laid on the table.

(c) No, Sir; the uniform was decided upon before those ladies joined the Corps.

(d) Yes, Sir.

Statement

Communities.	Senior Comdr.	Junior Comdr.	Subaltern.	2nd Subaltern.	Total.
Indian Christian	...	13	1	1	15
Parsi	1	6	...	6	13
Hindu	...	4	2	3	9
Muslim	...	...	...	2	2
Total	1	23	3	12	39

Mr. Govind V. Deshmukh: In view of the fact that this uniform was decided upon before ladies joined, will that uniform be revised after taking the opinion of the proper authorities who are concerned with getting more recruits?

Mr. C. M. Trivedi: The opinion of the ladies in the Corps was taken some time ago and the general consensus of opinion was that there was nothing seriously wrong with the uniform. But, as I have said, I will have the matter further examined in the light of the Honourable Member's suggestion.

Mr. Govind V. Deshmukh: I do not know what is the answer to part (d).

Mr. C. M. Trivedi: I said, yes. I am aware of that.

Mr. Lalchand Navalrai: May I know if there are different uniforms and there is difference in colour? Is it because that they belong to different classes or they work differently?

Mr. C. M. Trivedi: The uniform of W. A. C. (I.) Corps is of the same colour. My Honourable friend is probably thinking of some other uniforms.

Mr. Govind V. Deshmukh: Is it not a fact that this Corps has recently been divided into three parts, the navy, the air force and the land force? These wear different colours for their uniforms. Has that fact been brought to the notice of the Honourable Member?

Mr. C. M. Trivedi: A naval wing of W. A. C. (I.) has been formed recently. The uniform of this wing is of a different colour.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

ARREST OF SARDAR RAGHBIR SINGH PANJ HAZARI.

329. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) when and, under what rule, Sardar Raghbir Singh Panj Hazari was arrested by the Delhi Police:

- (b) whether he is being kept in police lock-up since his arrest;
 (c) whether it is a fact that he is being kept in his cell all the twenty-four hours and is not allowed to come out even for a short time for bath, walk or answering the call of nature;
 (d) whether there are any rules for treatment of prisoners confined in police lock-up;
 (e) whether he will be tried or detained after some time; and
 (f) why he is being kept in police lock-up for so long a time?
- The Honourable Sir Sultan Ahmed:** (a) He was arrested on 25th January, 1944, under Defence Rule 129.
 (b) No. He was kept in police custody from the time of his arrest till the 26th February, 1944, when he was transferred to the Delhi District Jail.
 (c) No.
 (d) Yes.
 (e) No answer can be given at this stage.
 (f) He was detained for the purpose of interrogation.

FAMILY ALLOWANCE FOR MR. YUDHVIR SINGH, A DETENU.

330. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

- (a) whether it is a fact that in reply to the representation for family allowance submitted by the wife of Mr. Yudhvir Singh, a congress detenu of Delhi, Government have sanctioned only Rs. 50 per mensem;
 (b) whether Government are aware that his family consists of five grown-up children who are either in college or school and his wife; and
 (c) whether Government propose to reconsider this case, and, in view of high prices, increase the amount of allowance to Rs. 300 at least?

The Honourable Sir Sultan Ahmed: (a) and (b). Yes.
 (c) No.

Mr. T. T. Krishnamachari: Why no?

Mr. President (The Honourable Sir Abdur Rahim): Next question.

DELHI DETENUS DETAINED IN PUNJAB JAILS.

331. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

- (a) the total number of detenus from Delhi who are now being detained in the Punjab jails; and
 (b) whether Government are prepared to confine them in the District Jail, Delhi, so that their relations may not be put to expense and trouble when they go to interview the detenus?

The Honourable Sir Sultan Ahmed: (a) Forty.

(b) No. The Delhi District Jail is not a suitable place in which to keep security prisoners.

Sardar Mangal Singh: Do the Government realise that the relations of detenus have to go a long way and incur expenses? Now that the number is so small, could they not bring them to Delhi?

The Honourable Sir Sultan Ahmed: I will get this considered.

Sardar Mangal Singh: This will also help my Honourable friend, Sir Edward Benthall, in decreasing travel.

DESIRABILITY OF RELEASE OF MR. GANDHI AND OTHER CONGRESS LEADERS.

332. *Mr. K. S. Gupta: (a) Will the Honourable the Home Member please state whether the attention of Government has been drawn to the election address of Mr. Hugh Lawson at Skipton (Yorkshire) wherein he said "we fight for democracy and freedom; we should give that for which we are fighting to the Indians. Only when we have removed from power men who have opposed even the modest demand of the Indian people will it be possible for Indians to believe in our good faith. The social and economic problem of India can never be solved by a Government which is not Indian"?

(b) Is the Government of India aware of the statement by Sir Richard Acland, Leader of the Commonwealth party, who said "I want Mr. Gandhi

and other Congress Leaders to be released and the establishment of National Government having the confidence of the Indian people. The Skipton people have given a clear verdict on the Indian issue"? If so, are Government prepared to release Gandhiji and other leaders of the Congress on this issue?

The Honourable Sir Sultan Ahmed: (a) and (b). No.

EMPLOYMENT OF SCHEDULED CASTES IN ALL-INDIA RADIO.

333. *Mr. Piare Lal Kureel: With reference to his answer to question No. 166, dated the 23rd February, 1944, will the Honourable Member for Information and Broadcasting be pleased to state whether the exemption he has granted to the Muslims does or does not apply to the scheduled castes? If not, why not?

The Honourable Sir Sultan Ahmed: The Honourable Member is presumably referring to the reply given by me to the supplementary asked by Rao Bahadur N. Siva Raj in connection with question No. 167 on 23rd February, 1944. If so, the reply is in the affirmative. The latter part of the question does not arise.

Mr. Lalchand Navalrai: May I know from the Honourable Member what is the exemption that is being claimed by these favoured Scheduled Classes, that the Honourable Member is referring to?

The Honourable Sir Sultan Ahmed: I will refer the Honourable Member to the supplementary question asked by Rao Bahadur N. Siva Raj on question No. 167 on the 23rd February, 1944.

Mr. Lalchand Navalrai: In what respect?

The Honourable Sir Sultan Ahmed: I have not got it.

POST OF ASSISTANT SUPERINTENDENT, DEPUTY COMMISSIONERS' OFFICE, DELHI.

334. *Maulvi Muhammad Abdul Ghani: Will the Honourable the Home Member please state:

(a) if it is a fact that the post of the Superintendent, Deputy Commissioner's office, Delhi, is held substantively permanent by Anglo-Indians since its creation;

(b) if it is a fact that in 1943 a new post of Assistant Superintendent in the said office was created;

(c) if the reply to (b) be in the affirmative, (i) the reasons therefor; (ii) the date of its creation; (iii) the scale of pay sanctioned for it; (iv) the method of recruitment laid down for it; (v) the newspapers or other publications in which the said post was advertised, and whether applications were invited; (vi) how many applications were received from each community, and what the minimum and maximum qualifications of those applicants were; (vii) whether the said post was filled up by promotion from the ranks; if so, what the eligible persons were; what their qualifications, community and pay in the scales were; (viii) the particulars of the applicant or candidate selected and appointed, i.e., qualifications, pay, community, previous services, etc., and (ix) constitution of the Selection Committee or Board; and

(d) the policy laid down for the said office for promotions and appointments of the ranks and file and their reservation for different communities?

The Honourable Sir Sultan Ahmed: (a) The present incumbent of the post is an Anglo-Indian and, so far as I am aware, is the first of his community to be permanently appointed to this post.

(b) Yes.

(c) (i). Owing to considerable increase in the staff of the Deputy Commissioner's office and the volume of work devolving on that office due to the war, it became impossible for a single Office Superintendent adequately to perform his duties of supervision, etc. A post of Assistant Superintendent was, therefore, created to give him relief.

(ii) July 1943.

(iii) Rs. 190—7—225.

(iv) The post is filled by selection from among the clerical staff of the Provincial Administration who are all eligible for appointment thereto.

[Mr. N. N. Joshi.]

sufficient coal, and the Government of India, very wrongly and very weakly in my judgment, have sanctioned a production bonus for the coal owners. I feel that the policy which the Government of India are following in this matter is wrong. If you try to encourage the manufacturers by way of production bonus the burden of taxation will again fall on the poorer people of this country. Therefore the only remedy for the Government of India was to insist upon the manufacturers giving the necessary production or the Government of India taking the industries in their own hands and under their own control. But again the Government of India, when it is a question of dealing with capitalists, follow a policy which is timid. Moreover, the Government of India in my judgment should have encouraged production and kept production under their own control so that we would have got more goods for our use than we have been getting. Not only that. I feel that the Government of India should have also kept full control over the distribution and rationing of goods. The people suffered for a long time on account of improper or unequal distribution of foodgrains in this country; people are still suffering on account of scarcity of cloth or at least the high prices of cloth. I feel that even in the matter of the supply of cloth the Government of India should not hesitate to introduce a system of rationing. For all these reasons the poorer people of the country have suffered on account of the wrong policy which the Honourable the Finance Member has been following in the matter of inflation.

Then, when the Finance Member tries to find money by way of taxation he again follows a wrong policy. It is not difficult for the Government of India to secure whatever money is necessary by taxing only those people who are able to bear the burden of any further taxation. I know the Finance Member has increased the rate of income-tax, super-tax and also the deposits from the excess profits tax. But as he is already getting more money by way of indirect taxation and which already has been weighing very heavily on the people, he could have avoided getting more money by the duty on unmanufactured tobacco which falls upon the poorer people of the country; he could have avoided levying a duty—and according to me a very heavy duty—on betelnuts. He had no right to tax articles of food like tea and coffee. The Honourable the Finance Member again to avoid a little further taxation on the wealthier classes of this country has come forward with measures of taxation which will further increase the burden of taxation on the poorer people. He has already by his policy of inflation put a great burden on the people which he could have avoided and he is now trying to add further to that burden by imposing taxation which will fall on the poorer people.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. N. M. Joshi: I hope the Finance Member will show a little more courage and spirit of justice to tax only those people who can bear the burden of taxation. In England these rich people are not allowed to have large incomes at present. But in India the wealthier classes can have any large incomes which they like. The Honourable the Finance Member could have increased the rate of income-tax; there was sufficient scope for it; but he was timid and so he could not do it.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. N. M. Joshi: Sir, I have done.

Rao Bahadur N. Siva Raj: Sir, in the circumstances in which the Government of India are placed and the limitations under which the Finance Member is called upon to work, it is indeed a matter for congratulation that he has given us a Budget in which it will be somewhat difficult for an impartial critic to find many points on which he can be criticised or to which objection can be taken. The budget indeed must bear upon it the impress of the conditions that exist in our country. There are two such features which one can

notice in this Budget. One which is not due to any fault of the Finance Member, is the lack of control that this Legislature and the public have upon the Government of India and, even more the lack of control that the Government of India in their turn have over the army authorities. The second condition that exists is the fact that Government in their turn have no confidence, generally speaking, in the people of India in all their war efforts. It is unfortunate that it is so, but the fact remains that on account of the tendencies that have been exhibited by the political parties in India—in one case a positively hostile and in another an indifferent attitude towards the war effort—the Government of India in their turn have become rather panicky in the matter of preparation of this Budget. So that in the present Budget, if the conditions had been otherwise and if the parties in our country had been practical, knowing the effects of war and knowing the possibilities that this war has given our country and had come in for co-operation in this war effort, some of the undesirable features of this war Budget could have been avoided. It is my firm conviction, Sir, that this Budget is in certain parts needlessly exorbitant because of the fear that the Government of India has in respect of the co-operation of quite a number of people in our country. However, I would not labour the point having regard to the time at my disposal. I merely want to utilize the little time at my disposal in raising one or two questions in connection with this Budget.

In the first place, I want to know whether at all it is necessary in the preparation of the defence expenditure that a classification should be made between the basic normal Budget and, what is called, India's war measure. I do not suppose that either the Budget of the United Kingdom or the United States has made any such distinction and, in the second place, I want to know if this classification will have any bearing later on in the matter of the allocation of the defence expenditure in India as between India and the United Kingdom or even the United States. I feel, Sir, that particularly now, when the United Nations can take credit for having achieved victory in many a battle field and having turned the corner, and having regard to the fact that India may now be considered to be not a place which so much depends upon its defence as upon the fact that it is an operational base and it is about to take offensive action against Japan, I personally feel that even these 36 crores and odd, which is classed as a normal basic Budget, ought to be included in the operational expenses, if I may use that phrase, so that, really speaking, India ought to have much less of the normal basic Budget and that more of these 36 crores ought to go into the expenses of what I call the 'operational expenditure'. With regard to the allocation of the expenditure between India and His Majesty's Government I should suggest—I do not actually know what the arrangement between this Government and His Majesty's Government, because that is an Agreement of confidential nature—that any increased expenditure on account of war ought to have some bearing to its basic normal Budget. I do hope the Finance Member will keep that in view.

Sir, there is another point which I should like to stress upon the attention of the Finance Member as also upon the attention of this Honourable House. The Budget has got certain features. One feature is that it is the result of unpreparedness generally of His Majesty's Government to meet this war and, as in all cases where a man is unprepared and wants to meet an emergency the expenses are bound to be much greater than those of a man who has foreseen and is making a plan of defence, and it is rather hard that India should be called upon to pay much more than she should normally for the unpreparedness of His Majesty's Government, which generally takes the responsibility for Empire's defence.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

I cannot understand this question of *factum valet*. They say that if a marriage has taken place, the position of the girl becomes very awkward and, therefore, something must be done for her. First of all such cases of negligence or error on the part of guardians are and will be very very rare indeed because when a marriage is to be solemnised, the first thing which the guardian of the bridegroom asks the guardian of the bride is "what is your *gotra*, what is your caste." These are such elementary principles of a sacramental marriage that it is impossible to understand how a mistake can be made. And even if a mistake is made you must punish the guardians for it. Instead of doing that what you are doing is to validate these marriages unconditionally. This question of *factum valet* appears only in the explanatory notes; it does not appear at all in the Bill itself. So, now according to the Bill if a marriage has taken place it must be deemed to be valid. If that is the intention of the authors of the Bill the best course is to delete all these provisions from clause 4. Some people say, what is the harm? There should be inter-caste marriage. And my Honourable friend, Mr. Deshmukh, even at the age of 65 is after *sagotra* marriages. *Sagotra* marriages should not be held valid under sacramental marriages. As regards inter-caste marriages the House will remember that Dr. Bhagwan Das brought in a Bill before this very House to validate these marriages among Hindus and this very Government opposed that Bill. I also opposed it and that Bill was thrown into the dust-bin. What has happened during these few years to change the views of Government so radically? I made a lengthy speech at that time and I think that convinced the House. I will refer the House to that speech and if they will take the trouble to read it I think they will again be convinced. I will only say that according to Hindu Shastras inter-caste marriages are forbidden altogether. *Anuloma* marriages were allowed, i.e., a Brahman could marry the daughter of a Kshatriya, Vaishya or Sudra, but not *vice versa*. But these also were allowed during *Satyayuga* and *Tretayuga* and *Dwaparyuga* but not in *Kaliyuga*. These marriages are expressly forbidden and the children of such marriages are termed *Varnashankaras*; and a good deal has been written about the harm that will accrue to society by having *Varnashankaras*.

Then as regards *Sagotra* marriages I will be very brief because I have to speak on many topics. *Sagotra* marriages also are totally forbidden and it is very repugnant to Hindu society. I have spoken to many people including many women and the idea was nauseating to them. Our Shastras say that the issue of a *Sagotra* marriage is a *Chandala*, i.e., a man of the lowest caste who helps in funerals. Sir, I shall, with your permission, read one verse from Manu to prove that a *Sagotra* marriage is absolutely forbidden:

"*Asapindacha ya matuhu asagotrashcha ya pituhu
Sa prashasta dwijateenam dar karmani maithune.*"

Which means that for the twice-born, i.e., Brahman, Kshatriya and Vaishya the wife should not be of the same *sapinda* from the mother's side and should not be of the same *gotra* from the father's side. There seems to me to be no reason for validating such marriages as is sought to be done in clause 7. For people who want to perform *sagotra* marriages or inter-caste marriages or any other sort of marriages, there already exists the Special Marriage Act and there is no need to bring them within sacramental marriages. As regards this question of error much capital has been made in the explanatory notes by quoting Sir Gurudas Banerjee. So far as errors are concerned, the Shastras explicitly mention that in case of such error the husband must give up that wife but must maintain her like a mother. But if Members of the House think that it is a difficult thing and she does not want to be treated as a mother but should be treated as a wife, I am even prepared to give them the liberty of marrying under the Civil Marriage Act. In that case there will be no hardship. But you cannot have a sacramental marriage without the sanctity which is due to it. If there is an error first of all those who have committed that error must be punished. Instead of that they go scot-free and you make the marriage valid. There is no sense in it. If the couple want that they should live as man and wife they may

be given the liberty of marrying under the Civil Marriage Act and that will be a legal marriage though not a sacramental marriage.

Now, I will speak about free-love marriage which is allowed under this Bill. Under sub-clause (c) of clause 7 even if no consent from her guardian is obtained, a girl can marry. That is to say, suppose any Hindu belonging to any caste elopes with a girl of the same or another caste or of the same or another *gotra* and of any age. The ceremonies which this Bill considers essential for a sacramental marriage are (i) invocation before a sacrificial fire and (ii) *saptapadi*. According to me these are not sufficient essentials. What they have to do is to elope, go to some place, have some fire in a pot and just go round it several times, and the marriage is complete. And such a marriage will be

4 P. M. considered sacramental. It passes my imagination, Sir, where such a marriage is defined as sacramental. I think even the Law Member will agree with me that such a marriage cannot be called sacramental. But his Bill allows it. I have already exposed the futility of this Bill and if the Honourable Member agrees with me on these points, I am sure he will not tolerate a Bill of this nature.

Now, Sir, about ceremonies: Clause 5, as I have already said, lays down two ceremonies which are essential to the validity of a sacramental marriage. They are: (i) invocation before the sacred fire; and (ii) *saptapadi*, that is, the taking of seven steps by the bridegroom and the bride jointly before the sacred fire. But what about *Kanya dan*? Without *Kanya dan* there cannot be any sacramental marriage. The girl must be given away by her guardian to her husband as a gift. I personally think that the omission of this provision cannot be an accidental error; there must be some ulterior motive behind this.

Dr. P. N. Banerjee: Has the Law Member got any ulterior motive?

Babu Baijnath Bajoria: No. I have already exonerated him, because he has acted as a post office. It is the Rao Committee which is responsible.

The Honourable Sir Asoka Roy: But still you want to see me out of office.

Babu Baijnath Bajoria: I don't want to see you out of office, but I want that the Bill be so much delayed that your term of office may expire.

Sir, there are several other essentials to the validity of a sacramental marriage, and it will be impossible to define them in this Bill. For instance, there must be a priest—no mention is made here of that. Then lineal ancestors of the bride and of the bridegroom—*vamsavali*—have also to be recited, i.e., that the bridegroom is son of such and such, grandson of such and such and the bride is the daughter of such and such and grand-daughter of such and such and so on. There are so many rituals which have to be performed and this Bill does not make any reference to those. The definition of sacramental marriage, as it is given here, is simply a farce. The authors of the Bill think marriages of all kinds must be permitted but polygamy must be abolished. In their opinion that is one main thing which must be done, otherwise the Hindu Society is doomed to go to pieces.

Coming to *sapindas*, I must thank the members of the Rao Committee for at least they have retained this restriction. But, unfortunately, here again the definition of *sapinda*, as it is given in the Bill, is absolutely wrong. It says 'five generations on the mother's side and seven generations on the father's side', and then again it goes on 'mother's father's mother's father' will also be *sapinda*. Who says that?

An Honourable Member: Law Member.

Babu Baijnath Bajoria: After father and mother, it must be father, grandfather and great-grandfather and so on, and mother's father's father's father and so on, but it cannot be father's mother's mother's mother. An illustration is given here:

"A is the son's daughter's son's daughter of C, who is the mother's father's mother's father of B. Here C, the common ancestor, is the fifth generation from A in the father's line and the fifth generation from B in the mother's line. A and B are *sapindas* of each other."

[Mr. Abdul Qaiyum.]

Member, which he delivered while presenting the Budget for 1944-45. One thing which strikes everybody is that the defence expenditure has enormously increased. Not only are we not allowed to deal with that part of the Budget which deals with the defence services but even our wishes as regards the other expenditure, namely, the civil expenditure, are very often flouted as a result of the certification powers which are enjoyed by the Governor General in this country. This Assembly has now been reduced to a mere debating society because the defence expenditure forms a very considerable portion of the Budget now presented to this House. We have been told that ceilings have been reached in different parts of the defence services and that the defence expenditure would be stabilised roundabout the figure of three hundred crores. It is very difficult to believe such a thing, because the object of all this defence expenditure is not only the defence of India but also the reconquest of Burma, Malaya, Straits Settlements, and other British possessions which were overrun by the Japanese about two years ago. India is now the base for operations against Japan, the spring-board from which the Allied forces will continue their march for the re-conquest of these lost territories.

Now, we are paying for all this war. The question which naturally comes to one's mind is: What are we going to get as a result of this sacrifice in blood and money? We are all aware what this war is being fought for. We know what measure of freedom the people of Burma enjoyed when they were under British control. We know that Burma was being kept under British domination because of the oil, rubber and other vested interests which the British had in that country, and now we in this country have to pay with our blood and money, the lives of our youngmen, and to exert our utmost so that Burma can be re-conquered for the British oil and rubber interests. We have nothing to gain; we were not consulted when this war began; and we know that all these preparations are being made for the re-conquest of Burma and other territories in the interests of Great Britain, in the interests of British Imperialism and British finance. Now, Sir, if this is the object, there is absolutely no valid reason, there is absolutely no justification, for this undue and excessive drain on the resources of this country. Why should we pay for the re-conquest of Burma? Have you consulted the people of Burma? Do they really want to be re-conquered by you and what sort of treatment can the Indians expect in a free Burma re-conquered for Britain? Our people were treated so very badly when Burma was a part of the British Empire. Now, we are asked to re-conquer that country again for the British Empire. We cannot hope for, nor can we expect, any better treatment after Burma has been re-conquered.

Now, Sir, we have been told that these ceilings have been fixed by His Excellency the Commander-in-Chief, but we know full well that these ceilings can be adjusted and have been adjusted from time to time. As the real war against Japan has not even begun, and as the real process of re-conquest has not even been started, we can rest assured that this defence expenditure is going to mount higher and higher. Who is going to decide and who is going to arbitrate between a powerful Britain and an India in bondage? Can we expect from a Government which is subordinate to the British Government in Whitehall that it will stand up for the rights of the Indian people in the matter of the allocation of expenditure between Great Britain and this country? It is crystal clear that this war is mainly being fought for a purpose in which, we, the people of this country, are not interested. Burma is not going to form part of this country and we are absolutely sure that we are not going to get any better treatment than the one which was accorded to us when you held sway over that country. Why should we pay for this war? The Government of India is not in a position to stand up against the Government of Great Britain in the matter of allocation of expenditure. The defence expenditure has mounted from 26.77 crores to something like 301 crores and the total money which this country has spent so far on the war effort of Great Britain is something like 1,068 crores. Now, Sir, we know full well and the people of this country are

well aware that all this expenditure, which is stated to be incurred by the British Government is, in fact, being paid for by the people of India. There is absolutely no doubt about that.

Sir, the Honourable the Finance Member talked of inflation and how he was going to combat inflation by more taxation, by compulsory saving, by the advance payment of income-tax and by means of other devices which he elaborated in the course of his very long speech. He himself is responsible for this inflation. Is it not a fact that the Government of India are primarily responsible for this inflation? Are we to believe that those who launched this policy of inflation were so ignorant that they did not know that it will play havoc with the economy of this country? We have had such terrible disasters in this country, of which the famine in Bengal is an instance, which will be a standing monument of the failure of British regime in this country, when about six millions of our countrymen lost their lives as a result of your inefficient administration and as a result of the break-down of Governmental machinery in the matter of the distribution of food. You are the people who started inflation, and you are devising the ways and means to fight down that inflation. Now, the real cause of this inflation, to my mind, is the obligation which you have incurred by spending rupee finance for Allied war purchases in India at controlled prices. The all-powerful British Government and their Allies purchase various articles which they require for the prosecution of this war at controlled prices. We are not allowed even to make a legitimate profit out of what we have to part with in favour of the British Government and even their Allies who are involved in this war. The real remedy for inflation is production of more consumer goods in this country, and if you look at this aspect of the case, there is nobody who can deny the fact that the Government of India have miserably failed in increasing the volume of production in this country. The Government of India ought to have learnt a lesson from the Russian people, who did not so much indulge in the manipulation of currency and finance, but devoted all their energies to increase production and that is the real reason why Russia has stood up against Germany so successfully in this war. The Government of India have failed in increasing production in this country, they could not in the nature of things have succeeded very far because the Government is irresponsible, and out of touch with the feelings of the people of this country. The people of this country have no faith in you, and you have no love or regard or affection for the people. You are here only to rob them of all that you can get out of them, not in the interest of this country but in the interest of your masters, the British financiers and the British imperialists.

The Honourable the Finance Member got some tributes from one or two Honourable Members on that side of the House. I am also going to pay him a compliment; I congratulate the Honourable the Finance Member on the fact that he is looking so well after the interests of his own countrymen and of his own Government at the expense of the people of this country who are just a subject nation. I pay him that compliment and I think he is a very patriotic person, because even when pretending to be a servant of the people of this country, he has seen to it that at every step and at every turn our interests are sacrificed to the interest of his people and of his Government.

There is some talk that this inflation is going to be met with by another device. We are told that we are getting imports of consumer goods in this country. Now, Sir, we have suffered considerably so far. I can assure the Honourable the Finance Member that we, civilians, in this country are prepared to suffer a little more if Great Britain does not import any more goods into this country. If you are to import at all, you must import machinery, capital goods, with which we can set up our own industries in this country. We can import raw materials if necessary for our growing industries. But you will have nothing of the kind. While you insist that India should pay for the maintenance and construction of air fields in India, all this amount was sufficient to start a first class aeroplane factory in this country and we would have been self-sufficient; if we only had a national Government of our own, we could

Mr. E. C. Hooley: May I know if it is not a fact that His Excellency the Crown Representative and his agents have been impressing upon the State administrations that this sort of forced labour should be discontinued, and that this has led to very beneficial results in certain parts of the country?

The Honourable Dr. B. R. Ambedkar: I am glad to have the information.

Dr. Sir Zia Uddin Ahmad: May I know whether the Honourable Member is aware of the fact that in the United Provinces, out of what they call the cultivators, 85 per cent. are village labourers and they do not get any benefit on account of high prices. The cultivators do not get them in kind. They are paid in money and they find it exceedingly difficult.

The Honourable Dr. B. R. Ambedkar: What is the question?

Dr. Sir Zia Uddin Ahmad: The question is whether the Honourable Member is aware of this fact that the cultivators

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has made a long speech.

Dr. Sir Zia Uddin Ahmad: I want to know whether the Honourable Member is aware of it and what action do the Government propose to take. That is the question.

(No answer.)

MOTION FOR ADJOURNMENT.

INCLUSION OF GRANT TO THE INDIAN INSTITUTE OF INTERNATIONAL AFFAIRS UNDER EXTERNAL AFFAIRS DEPARTMENT EXPENDITURE.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of an adjournment motion from Mr. T. S. Avinashilingam Chettiar. He wishes to discuss a definite matter of urgent public importance, namely, the device practised by the Government on the Legislature by putting the grant of Rs. 78,000, given to the Indian Institute of International Affairs for a library in India in the External Affairs Department—a matter which should have come in the Department of Education, Health and Lands, thus depriving the Legislature of its right to vote on the matter.

I should like to know what the facts are.

The Honourable Sir Jeremy Raisman (Finance Member): So far as I am aware, this amount has not been given for a library and the question of its being shown in the Demand for Education, Health and Lands Department hardly seems to arise. The grant has been given to this Institute. As explained by the Honourable the Leader of the House this morning, it is an Institute for the study of International affairs and there is no device in including it under External Affairs. It is the natural heading under which an item of expenditure of that kind would fall. Even if any question should arise as to what would be the proper classification of that expenditure, it has been held on a previous occasion when a similar point arose—and I am referring to Ruling No. 211 of the Rulings from the Chair, page 171—that if any doubt should arise, the matter would be one for the decision of the Governor General under the Ninth Schedule to the Government of India Act. At any rate it was then held that such a point was not a point of order for the Chair since the Governor General's decision would be final.

Mr. President (The Honourable Sir Abdur Rahim): Is it the suggestion that the matter was before the Governor General for decision?

The Honourable Sir Jeremy Raisman: No, Sir. The matter is in the first instance one for the Governor General in Council and the classification was decided in consultation with the Auditor General. My point is that there is no question of any device. This was the natural classification for expenditure of this character. There is no question of a library.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore cum North Arcot Non-Muhammadian Rural): It is a question of a library. This grant is for a library to be established in New Delhi.

The Honourable Sir Jeremy Raisman: Not for library. That is not the purpose.

MOTION FOR ADJOURNMENT

Mr. T. S. Avinashilingam Chettiar: As was pointed out by Mr. T. T. Krishnamachari, this grant is for a library in New Delhi. May I point out that the Indian Institute of International Affairs is not an international concern?

Mr. President (The Honourable Sir Abdur Rahim): It may be the Honourable Member's view.

(Mr. Chettiar rose in his seat.)

I am not bound to hear the Honourable Member unless it be a point of order.

Mr. T. S. Avinashilingam Chettiar: I want you to hear on the point of order itself. I submit that before you pass an order, you are bound to hear me. May I read out a few sentences? It is said here that the Chairman announced that he had accepted a grant of Rs. 78,000 from the Government of India for two years and a non-recurring grant for the establishment of a library. May I point out to you that under the Legislative Assembly Circular which was issued to us, libraries are the concern of the Department of Education, Health and Lands.

Mr. President (The Honourable Sir Abdur Rahim): The grant for the library is only Rs. 10,000.

The Honourable Sir Jeremy Raisman: The grant of Rs. 78,000, to which the Honourable Member refers in his motion, is entirely for purposes other than a library. That is a subsidy to the Indian Institute of International Affairs. There was a separate block grant for the library of the Institute which amounted to Rs. 10,000.

(Mr. Chettiar rose in his seat.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. On the facts stated by the Honourable the Finance Member, I must hold that there is no question of any device in order to make the grant non-voted. The grant of Rs. 78,000 is not for a library and there is no reason for thinking that the Government of India's decision that the grant for the Indian Institute of International Affairs falls under the External Affairs Department was not perfectly *bona fide*.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR ROADS.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that up to 12 Noon on Monday, the 6th March, 1944, the time fixed for receiving nominations for the Standing Committee for Roads, seven nominations were received. Subsequently one candidate withdrew his candidature. As the number of remaining candidate is equal to the number of vacancies, I declare the following Members to be duly elected, namely: (1) Captain Thakur Singh, (2) Raja Bahadur Kushal Pal Singh, (3) Mr. A. C. Inakrip, (4) Major Nawab Sir Ahmed Nawaz Khan, (5) Babu Baijnath Bajoria, and (6) Hajee Chowdhury Mohammad Ismail Khan.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE POSTS AND AIR DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that up to 12 Noon on Monday, the 6th March, 1944, the time fixed for receiving nominations for the Standing Committee for the Department of Posts and Air, three nominations were received. As there are only three vacancies, I declare the following Members to be duly elected, namely, (1) Mr. C. C. Miller, (2) Mr. Kailash Bahari Lall, and (3) Nawab Siddique Ali Khan.

THE GENERAL BUDGET—GENERAL DISCUSSION—contd.

FIRST STAGE—contd.

Mr. Abdul Qayyum (North-West Frontier Province: General): Mr. President, we listened very carefully to the speech of the Honourable the Finance

[Mr. Abdul Qaiyum.]

make aeroplanes in this country instead of importing them from England, for which we have to pay so much.

Now, Sir, the British war expenditure, as I have stated is responsible for inflation in this country and the British expenditure amounted to something like 700 crores by the end of March 1943, and this amount is bound to go on increasing. How has the Government of India met this expenditure. The Government of India met this expenditure by creating paper money and I am told that about eight crores of paper money are being put into the market every week to pay for the goods which the Government of Great Britain and their Allies need for the prosecution of the war in which we have absolutely no interest. The people of this country still remember that in the last war, we spent something like 300 crores on similar ventures for the benefit of Great Britain and a similar fate awaits us in the matter of heavier expenditure which we are incurring in the course of this war. We would be sadly disappointed if we entertain too sanguine a hope of obtaining full material equivalent in return for the goods and the services which we supply to the British Government. Sir, what do we get in return for the goods and services which we render to Great Britain? We are told, "Oh! in this country, it is not only the Government of India which is spending money, but it is the British Government and the Allied Governments who are spending much more than what the Government of India are spending". Now, Sir, how are we paid for that? All that we get in return for these very substantial services and goods are promissory notes from the British Government. We get I. O. U.'s. The Government of India have asked the Reserve Bank to print paper money against these I. O. U.'s which do not represent any real value and which the Honourable the Finance Member and people of his way of thinking are pleased to call sterling securities. The word 'sterling' sounds as if there is absolutely any amount of gold behind it, but it is only the credit of the British Government with which you are exploiting and cheating the whole world. Not only that, but you have been dumping crores of rupees in the form of paper notes in this country, and you are responsible for the debasement of the rupee, which fact has escaped the due attention which it deserved. The real reason for all this is that you are a subordinate Government, you are servants of Great Britain and naturally you have to look more after the interests of Great Britain.

Let me at this stage turn to the sterling assets which we are supposed to hold in Great Britain. Now, Sir, the Honourable the Finance Member told us that after paying a lot of money which we owe to Great Britain, I think he stated that it was something to the tune of 350 million sterling, there is still a balance of 950 crores left with the Reserve Bank in the form of sterling securities. That is the claim which we have got against Great Britain. We are told that the holding of the Reserve Bank on 31st March 1944 will be something like 950 crores. Now, Sir, it is well known that even among the Dominions, India is the only creditor country whose balances have been held in abeyance or have been adjusted to suit the financial economy of Great Britain, a large part of the balances were paid off by Britain to clear them off against sterling loans and railway securities and I am informed that another part has been transferred into a sort of sinking fund as an anticipatory reserve for the payment of pensions and home charges in England, and in both these matters the people of India were not consulted. The question arises as to how are these 950 crores to be used? The Honourable the Finance Member has said that it would be foolish on our part to use these 950 crores for industrialisation purposes, for importing machinery and other things which we are so badly and sorely in need of in this country. But would it not be better if the Honourable the Finance Member were to use these 950 crores for acquiring foreign industrial interests in this country and for importing such essential basic machinery which our industries sorely need. This Government which is absolutely irresponsible, this Government which is absolutely out of touch with the wishes of our people, this Government which is bent upon doing things which are harmful to our economic and political interests, this Government has absolutely no right to determine

at this stage as to how this debt should be liquidated. Foreign capitalists—who have various investments in this country were terribly perturbed when Mahatma Gandhi during the course of the Round Table Conference demanded that a Tribunal should go into the question of foreign investments in this country and then they trotted out the argument about sanctity of contracts and all the awful rest of it. But now that we have got 950 crores in sterling securities, there is absolutely no reason why all these foreign and alien industrial concerns in this country should not be paid off so that we should have no more interference in matters economic from outsiders whose only interest is to get as much as they can out of this country. Let me here make it quite clear that I am not a hater of foreigners. Even the English people are quite welcome, we do not bear any grudge or ill-will towards them. If they are prepared to live as citizens of India, forego all these horrible privileges which they are enjoying at our expense, if they wish to make India their home they are welcome and the people of this country, even when they have got power will accord them treatment which every citizen enjoys in this country. But we are having a lot of trouble from these foreign interests and it would be much better if these are liquidated.

Then there is another danger. It is but natural that the presence of these funds in London should serve as an irresistible temptation for purchasing plant, equipment and machinery in the United Kingdom and in the United Kingdom only. It is also possible that this amount may also prove to be a gift without India getting even verbal credit for it. Now our subjection, our slavery does not exist only in the domain of politics but also embraces and extends to the realm of economics. Our rupee has been linked to the pound sterling. We are not free; our rupee has been linked and a ratio has been set up, not because we gain anything from it but because it suits the Imperial interests of Great Britain. No one can deny that the control of inflation is essentially a political rather than an economic matter. What is possible therefore for a national Government commanding the complete confidence of the people in such matters cannot even be attempted by a foreign Government such as now holds India in its grip. The remedies which the Honourable the Finance Member has suggested are all designed to meet the difficulty of the moment; none of them remedies it for ever. The only remedy which is likely to solve this problem for ever will be to sever the fixed connection between the rupee and the pound sterling and this severance must be an irrevocable one. The rupee must be left like the pound before the war to find its own level in international exchanges. Even if this remedy is not immediately possible it should be seriously considered when the war is over. If we can sever this link it will be a mark of India's real and complete emancipation, political as well as economic. We must be entirely free from any outside influence or control, and then only will India's position be natural, her policy rational and her contribution to world rehabilitation substantial. It is absolutely necessary that we should cease to depend on the pound sterling and all the implications and consequences which it involves.

And here I want to briefly touch the question of the dollar fund. We have been told that a part of the dollar fund is to be made available for the use of this country; but may I know from the Honourable the Finance Member why only a part of this dollar fund is to be made available and not the whole of it? What is the attitude of the British dominions, dominions which are free to determine their economic relations with other countries? What is their attitude? And if it is necessary in this connection, I would suggest that the Reserve Bank Act be amended to enable it to hold its dollars on India's account to be used for import of capital goods after the war.

In the matter of lend-lease arrangements the Honourable the Finance Member stated before this House last year that some sort of negotiations were going on between the Government of this country and the United States. But now we are definitely told that these negotiations have come to an end because we do not know what the post-war policy of the Government of India is going to be in this respect. We are not even allowed to deal directly with the United States

[Mr. Abdul Qaiyum.]

in such a simple matter as lend-lease arrangements. Everything is to be done through the British Government. If it is a case of dollars they must go into the Empire pool; if it is a case of lend-lease goods they must all go to the British Government, and then the British Government in their mercy can allot us any portion that they like, and they also have the right to decide what portion should be paid for by this country and what portion should be paid for by them. It is a very strange thing that a party to a suit should have the power to decide what they have to pay and what the people of this country have to pay. The Honourable the Finance Member has informed us that our aid to the United States in the matter of services and goods supplied for their forces, for shipping facilities, and also raw materials like tea which we send from this country, amounts to something over 81 crores, and that 350 crores worth of goods have been received; of course there is no proper allocation between us and Britain. He thinks that one-third will have to be paid for by the Government of India. Here also there is every danger of a miscarriage of justice, because the Government of India will not be able to effectively fight the case of the people of India. All these goods and all these services which are being rendered, for which we have to pay, are mainly intended for the conquest of Burma, in which we have absolutely no interest. We can support an Indian army which has been trained purely for the defence of this country. If Japan decides to attack this country, and if there is a national Government the people will rise and support it. But this war is purely for Imperial aggrandisement, for Imperial conquests, for oil, rubber, tin and many other things in which we are not interested.

One thing more, Sir, and I will conclude. What we need is a comprehensive and co-ordinated plan. The Government of India have got absolutely no plan and have never had any plan for our key industries such as automobiles, aeroplanes, chemicals and locomotives. If I remember rightly, it was in 1940 that the Government of India gave an assurance in this House that a locomotive factory would be set up in this country at an estimated cost of 50 lakhs of rupees; but nothing has been done so far. While metre-gauge locomotives could be manufactured, broad-gauge locomotives cannot be manufactured; and even at this time of shipping economy they prefer to import finished locomotives from abroad in hundred rather than have a locomotive industry in this country. As far as the automobile industry is concerned it is absolutely vital for any nation's existence in the modern age. Now note what was done. Plans were ready for an automobile industry and the work was just about to commence when down came the Government of India and strangled the whole scheme, with the result that the automobile industry could not be started. The real reason is that British competing interests must have preference as against Indian interests.

As far as all these things are concerned, the Government of India have neither any scheme of their own nor is there any mention in the budget that some such scheme is in the mind of people who are responsible for spending the money which they take from us. The real reason is that the Government of India is run in the interests of the British people and not of the people of this country. If we had a responsible Government, if we had a national Government representing all the interests in this country, things would have been much different; the response to the war effort would have been on a much greater scale; production would have gone up by leaps and bounds and people would have put their heart into it. As it is, the people have absolutely no interest. Some people are acting as a result of self-interest; the industrialists are goaded by the profit motive; then as a result of your inflation so many people are dying of starvation; they have nothing to eat and therefore they go and join the army. These people between them do not constitute India. India is a country which contains 40 crores of people.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. Abdul Qaiyum: I am finishing, Sir. Unless there is a Government which can kindle the fires of patriotism, which can appeal to the sense of self-respect of the people you are not going to have the type of war effort which we have recently witnessed in Russia. And unless you have a war effort of that kind, you can neither defend this country successfully against Japan nor is there any possibility of your ever reconquering Burma and other countries. And even if you reconquer them, I hope the people of those countries will have the guts to stand up against you and stop you from robbing them and exploiting them in the manner in which you indulged when those countries formed a part of your Empire. Sir, I conclude.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): This is the fifth war Budget of the Finance Member, but it is the tenth taxation measure for the people of India. Since the beginning of the war, taxes have been heaped upon the people of India year after year and almost all available sources of revenue have been tapped. But not satisfied with that, the Honourable the Finance Member has now taxed his ingenuity to the fullest extent and has shown himself to be a diligent research-worker in finding out new sources of revenue.

What is the amount which the Honourable the Finance Member wishes to raise in the course of the ensuing year? It is 308 crores, and when you compare it with the pre-war year 1938-39 which was 78½ crores, we find that the amount that he wishes to raise is nearly four times the normal revenue of the country. Now, Sir, what is the expenditure that is going to be incurred in the course of next year? That amounts to the colossal figure of 363 crores, and even after the levy of additional taxation there will be a large deficit to the extent of nearly 55 crores. Is this, I ask, a satisfactory state of things? For the ensuing year the Finance Member proposes to raise additional taxation to the extent of 28½ crores. I will examine briefly the taxation scheme which he has placed before us.

The Honourable the Finance Member does not wish to make any additions to the Excess Profits Tax, for which the big businessman will feel thankful to him. But his proposal to hold in compulsory deposit the whole of the proceeds left after making good the Excess Profits Tax and after paying the income and super-taxes will stand in the way of industrial development of the country. The Finance Member's additions to the corporation tax, the super-tax and higher ranges of income-tax will also hamper the growth of industry in this country. Although they may be justifiable on the ground of ability to pay they cannot be regarded as consistent with the interests of the country. The Finance Member has been wise in not adding to the burden of the middle classes of the population by increasing the taxes on the lower ranges of income. His decision to raise the taxable minimum from Rs. 1,500 to 2,000 is the one bright spot on the dark picture of the Budget.

Coming to the excise duties, we find that all available sources have been tapped. As regards tobacco, it is my conviction that it is poison for the brain-workers while it is solace and comfort for the manual labourers. I therefore do not object to the additional levy on cigars, cigarettes, and cheroots, but I strongly urge that he will spare the poor man's tobacco. As regards taxes on tea and coffee, they are open to very serious objection on the ground that they are taxes on food. I should like to see to it that these taxes are not levied. Coming to the last item on this list, namely, betel-nuts, this burden will fall on large classes of the population as betel-nuts are regarded as a conventional necessity though not as an absolute necessity.

Sir, the amount which the Honourable the Finance Member will raise by means of taxation will not be sufficient to meet the expenditure, and what is the reason for the heavy expenditure that the country is going to undertake? It is mainly accounted for by the large increase in defence expenditure, or, what I should like to call military expenditure. Military expenditure in the course of the next year will amount to the huge figure of 276 crores. This will be under

[Dr. P. N. Banerjee.]

the Revenue Head; and to that must be added the expenditure of over 24 crores under the Capital Head.

Now, the question is: Is such a colossal expenditure within the capacity of the people of this country to meet? I think the burden is too large. The Honourable the Finance Member has told us that the expenses of the South-East Asia Command will not fall upon the shoulders of the people of this country and he has assured us that the financial settlement between this Government and His Majesty's Government stands. But we should like to know whether it is considered a fair and equitable financial settlement which imposes a burden on the people of India and which is beyond their capacity to bear. Is it right and just or not?

This brings me to the question of reducing defence expenditure. In this connection I may point out that the expenditure under the head Defence has greatly increased because Indian troops have been sent abroad whereas other troops, non-Indian troops, have been brought to this country. The Indian troops cost much less than the non-Indian troops whose cost is prohibitive. This is a direction in which Indian expenditure can be reduced. But the interpretation of the financial settlement should also be carefully considered, and last year I suggested that an impartial tribunal should be appointed to go into the whole question. This has not been done but if India is to incur further expenditure you cannot refrain from showing that you are doing justice to the country.

There is another aspect to be considered in connection with defence expenditure. The whole of this expenditure is non-voted and we have no control over it. I may be reminded that India is a subject country, but that is all the greater reason why we should not be a willing party to the incurring of a huge expenditure and to the imposition of a large burden of taxation.

With regard to civil expenditure, I find no mention of economy or retrenchment in the speech of the Honourable the Finance Member. It is a well known fact—it is known to everybody even to the man in the street—that a large number of unwanted posts carrying high salaries has been created and that no attempt is made to secure economy in the administration of the different departments. It is said that there is the Public Accounts Committee to scrutinise expenditure but the examination which is undertaken by the Public Accounts Committee is *post-mortem* examination. What is needed is that there should be a body which will concurrently examine all the accounts in order to prevent wasteful expenditure.

Sir, with regard to civil expenditure there is only one item which may be considered as a redeeming feature of the expenditure side in this budget, and that is the grant made by the Central Government to the Government of Bengal for the purpose of meeting the expenses of the famine. But the amount which has been provided this year and which is to be provided in the coming year's budget, are too small to be of very great use. The calamity has been so great—and there is the apprehension of another calamity—that the Finance Member should come to the rescue of the Provincial Government to a much larger extent than he has agreed to do so far. I do not think that the finances of the Bengal Government have been properly managed. There has been a great deal of mismanagement there, but this is not the time to go into that question and for the moment the people of Bengal will have to be saved. For that purpose the Central Government must go to the more complete rescue of the people of that Province.

The Honourable the Finance Member derives a great deal of satisfaction from the fact that he has provided Rs. 10 lakhs for the promotion of research in industry. But it does not appear to me to be a very adequate amount. Compared to this grant the gift which has been made by the Tata Trust is larger, and our best thanks are due to that Trust for their generosity. The Finance Member has held out a hope of granting a crore of rupees after the war for

establishing three laboratories—physical, chemical and metallurgical. But I have no faith in post-dated cheques and I do not feel enthused over it.

Sir, after providing for the expenditure of the Government of India for the current year and for the coming year, the Finance Member has suggested that some money should be raised for the use of the Provincial Governments. He has mentioned two matters with regard to which taxes may be levied—estate duties on non-agricultural property and death duties.

The Honourable Sir Jeremy Raisman (Finance Member): That is the same thing!

Dr. P. N. Banerjee: As an economist I do not object to these taxes. They are legitimate sources of revenue, but this is not the opportune moment when you should raise this revenue. You have proposed to raise this revenue for utilization in the post-war period. Post-war reconstruction is a thing which should be left entirely in the hands of the future National Government.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Is that so?

Dr. P. N. Banerjee: . . . which will come into existence after the war. We hope that the national Governments will be established both at the Centre and in the Provinces, and it will be for them to raise money for carrying out any schemes of reconstruction that may be necessary. If you raise money now, there is every possibility, there is every fear, of that money being squandered in meeting the ordinary expenses of administration. Therefore I do not agree with his view that we should raise money now in order that reconstruction may be given effect to after the war.

Sir, there are some points in the speech of the Honourable the Finance Member which I would have liked to discuss fully, but time at my disposal will not permit me doing so. Therefore, I will confine my observations to only a few of them and I will discuss them very briefly. In the first place, I should like to say that the exposition given by the Honourable the Finance Member of the Lease and Lend arrangements does not appear to me to be very clear and I should like him to appoint a Committee of this House in order to go into the whole question. There is a great deal of apprehension regarding the interests of this country having been sacrificed for the interests of other countries. I welcome the decision of the Finance Member to sell gold in India, but the manner in which this gold is purchased does not seem to be the right one. Why should not the Government purchase gold direct in the United States and the United Kingdom and then bring it over and sell in India? In this respect, the interests of India and not the interests of other countries should be kept in view. There is no reason why the Finance Member should sacrifice the interests of India at the altar of the greed of the United States and the United Kingdom.

The Finance Member has told us that a portion of the dollars which accrue from the sale of India's exports to the United States will be set apart as a special fund. This is a move in the right direction, but, here again, I must emphasise that the needs and interests of India must be secured by placing these dollars under the control of India and by utilising them for the benefit of India. These dollars must not be utilised in importing goods for the consumer, but should be utilised only for importing capital goods for the industrial development of this country.

The Finance Member spoke at some length on the question of control. I do not deny that during a period of war some measure of price control is necessary and desirable, but the control which has been exercised so far has been of a crude and unintelligent sort and the machinery which has been employed has been inexperienced, inefficient and corrupt.

Rao Bahadur N. Siva Raj (Nominated Non-Official): Insufficient also.

Dr. P. N. Banerjee: I may add that price control can be made effective only if the Government is able to secure the co-operation of the people and create confidence in their minds.

[Dr. P. N. Banerjee.]

On the question of inflation, I generally agree with the views of the Finance Member, but our difference lies in the emphasis. The Finance Member lays greater emphasis on taxation and compulsory saving, whereas I lay greater emphasis on production of consumers' goods in this country. It appears to me that, unless he reverses this emphasis, he will never be able to solve this problem, which is growing more and more acute day by day and which is likely to assume very grave proportions in future. Increased production of goods in this country, not importation of consumer goods from outside—that is the point which we must emphasise to the fullest extent, because, if he seeks to tackle this problem by importing goods from other countries, there will arise other difficulties and the remedy may ultimately be worse than the disease itself. This is a very complex problem and I will not go further into it at the present moment. I will discuss this question at greater length in the course of my speech on the Finance Bill, but for the present I would earnestly request the Finance Member to lay greater emphasis on what I have suggested.

There is one matter connected with this subject, to which I will refer at the present moment. In the course of the debate on the railway budget the Finance Member, in trying to defend his colleague, the War Transport Member, observed that economic considerations were different from humanitarian considerations. I was surprised to hear this because I know that in many economic matters he holds sound views. I believe he knows, as almost all Members of the Assembly know, that Economics is the most humanitarian of all the sciences, and to draw a line of distinction between economic considerations and humanitarian considerations is to completely misconceive the scope and functions of the science of Economics.

The Honourable Sir Jeremy Ralsman: I was only replying to an interruption.

Dr. P. N. Banerjee: In conclusion, I wish to emphasise the fact that this budget places great burdens on the people, and it provides for extravagant expenditure. We have no control over two-thirds of the expenditure of the Government of India, and over the remainder we have only a limited measure of control. In a situation like this it is our incumbent duty to consider seriously what our attitude should be towards this budget, and I hope we will not fail to do our duty.

Mr. E. L. O. Gwilt (Bombay: European): Sir, the Leader of this Group dealt yesterday with the broad principles of the Budget, and I join with him in his commendation of the reasonableness of its revenue proposals. I would, Sir, express our satisfaction at the proposal to raise the taxable minimum of incomes from Rs. 1,500 to Rs. 2,000 per annum.

The theory of modern taxation, as illogical as in one sense it may be, is nevertheless, to place upon the shoulders of the individuals best able to carry it the burden of contributing towards the revenue of the country. It is also designed to reduce the volume of inheritable wealth, and here the proposed death duties will tap sources of wealth, which, particularly in the United Kingdom, have swelled the exchequer so appreciably over the last two decades or so.

The illogical aspect of tax upon incomes lies in the assumption that personal ability is adequately and proportionately reimbursed; so therefore, the greater his ability, the more a man works for the State, for construct the process of taxation of incomes as you will, that is the effect of it.

Despite this anomaly, as I have said, we welcome the raising of the minimum taxable limit, and however much we may personally dislike them, the extensions of indirect taxation the Budget provides. It may be argued, and probably with some truth that in a country such as India, even these measures may leave millions of well-to-do persons untouched by indirect taxation, but the fact remains that the process of widening the incidence of indirect taxation is

inevitable in a country approaching the commencement of vast industrial expansion. When this commences, revenues from customs duties must greatly diminish.

And now, Sir, before I enlarge upon the subject of provisions for the industrial expansion after the war, I wish to deal with the question, as an anti-inflationary measure, of adequate supplies of consumer goods during the war. One of the greatest difficulties confronting India at the moment is a shortage of man power. I refer to expert technical executive man power. This has come about in two ways: by the drafting of experts into the Army and the fact that the industrial expansion of the country greatly exceeds its pre-war potential. Not only therefore, is it of urgent importance that a large volume of these men be released from the Army, but that there should be a survey of the industrial potential of the country as it is today.

To what extent, for instance, has the 1940-41 supply and production plan, imperative as it was then, been recast to meet changing conditions? To what extent can the present industrial potential be allocated to the supply of consumer goods? But as important and urgent as I consider an immediate survey of this nature to be, I am conscious of the lack of expert man power and believe, because of the breadth of industrial expansion, of which I have spoken, it is not to be found in sufficient volume within the country, even though men are released from the Army; I am afraid the Army will say, and rightly, that it cannot part with them all.

At all events, another important pre-requisite to the production of consumer goods is adequate availability of coal and wagons, but as these are the respective responsibilities of the Members of Labour and War Transport, I will not dwell upon them, except to express our wishes of success to the Coal Controller in his onerous task. I would suggest too, closer collaboration between the Centre and the Provinces not only in determining what are the highest common factors of demand for consumer goods, but that when these are determined, the plans to produce them are followed to materialisation. Decisions are one thing, goods are another. Decisions too, Sir, I suggest should be in favour of such goods as can be manufactured to mass production contracts within the country.

Those, Sir, who have pressed the most energetically for an increase in supplies of consumer goods, will no doubt not be opposed to one of the provisions of the Income-tax Amendment Act now before the House. The provision to which I refer is the payment of Income-tax in advance. To pay the tax many merchants will need to release goods in order to raise the money to do so.

But whilst I am on this subject, may I draw the attention of the Defence Member to the fact (I see he is not in the House at the moment) that the landlords of premises requisitioned by the Army, are justified in expecting that they be paid rent during the tenure of the tenancy.

I would now draw attention to the dangerous extent to which many of the Executives in this country are pressed. There is a limit, Sir, to the volume of work that can be expected from men who have consistently overworked for years on end without adequate time for recreation. I would urge that the survey I have suggested should include an examination of man power within Departments to see that none are top heavy particularly in their executives, to the disadvantage of other Departments who may be short of them. In England, Sir, early on in the war, a survey of this nature became necessary, and the matter is kept constantly under review. Very considerable experience must have been acquired by those whose duty it is to review the situation, and I would suggest that not only their advice be sought, but some of their personnel requested to come to this country to assist in this direction.

Next Sir, I would add the tribute of the European Group to that paid by the Finance Member and also just now by Dr. Banerjee, to the generosity of the Tata Trust in contributing 20 lakhs of rupees towards the establishment

[Mr. E. L. C. Gwilt.]

of a National Metallurgical Laboratory. The Finance Member also made mention of the establishment of a National Physical and a National Chemical Laboratory, both of which must prove of the greatest assistance to India's post-war industrialisation plans.

In a country where wealth is so grossly unequally distributed, as it is in this, it is not to be wondered at, that unless a child is born with the proverbial silver spoon, his chances of advancement are limited. There must be, we know there are, many children in this country, and those of adolescent age, with outstanding ability, to whom the chance will not come their way to give to the State the benefit they should be able to provide. I would suggest, therefore, that the State should give aid to befit them to take their place in Commerce and Industry in the future.

I am aware, Sir, of the Sargent plan, and what I am about to say does not in any way detract from its motives. It is intended to supplement it, to be ancillary to it. I suggest that for a minimum period of ten years, and until the Sargent plan fructifies, the State grant scholarships to children and young men and women of the intellectual capacity I envisage, scholarships designed to grant them professional and technical education abroad. In this suggestion is envisaged an extension of the Bevan plan, but for the education of the *executive* of the future.

I would suggest too that in putting this interim educational plan into effect, the Central Government should seek the assistance of the Provinces and employers to bring to the notice of the education authorities, the names of candidates requiring to be examined, whatever be their social status, for it is those without the wherewithal particularly that I ask assistance; it is probably that today these young people may not even be in the primary schools or Universities. Some of the Indian States, Sir, are in advance of the Central Government in the matter of assistance of this nature.

I will now deal with the question of controls. No one has ever claimed that any control can be 100 per cent. effective. No control ever has been, but there is no gain saying the fact that such controls as have been established, and have been given time to operate, have gone a long way in reducing the prices of the goods to which they extend, but, Sir, I venture to think that this success would have been the greater had those who administer them in the Provinces been as well acquainted with their basic principles and provisions as those at the Centre who frame them.

As things are, in some Provinces, little is being done, whilst in others a very great deal of time not only of the individual, but also of the Police and Courts has been wasted over trivial and foolish technicalities and over detail, which defeat the main object of the control and frequently make them appear ridiculous. This may be due to a lack of co-ordination and personal contact between the Centre and the Provinces, though I am inclined to think it is due to the lack of sufficient contact between the representatives of the provinces who are in touch with the Centre, and those provincial officers who actually administer the control. I believe, Sir, that some of the trouble is due also to the practice of issuing rules and directives and leaving it at that instead of bringing all the personnel together to discuss the intricacies of the rules and directives so that they may be fully conversant, particularly with the broad principles and spirit of the control rather than with its printed word. When a business concern embarks upon a policy, its first action is to bring together its Branch Managers in order that they may be fully acquainted with what they are expected to do, to achieve the objectives at which the policy aims.

And now, Sir, like my, Honourable friend, Sardar Sant Singh, I will refer to the fallacies of the Anti-Hoarding and Anti-Profiteering Ordinance. I doubt whether anyone in business today is not breaking that Ordinance, for they would go out of business if they were not and therein lies its danger. I appreciate it is an enabling order and realise only too well the difficulties Government have

had in dealing with profiteering, but I suggest it would have been better had the Ordinance, in so far as it applies to profiteering, been based upon the Prices of Goods Act which was placed on the Statute-book of Great Britain in, I think, November 1939. The provisions of that Act are framed upon what is known as the basic price, and the permitted price. If my memory serves me correctly, the basic price was that at which goods were sold on the 25th of August 1939; the permitted price was that by which the basic price may be increased but in strict conformity to the increased cost of production. The margin of profit, therefore, allowed under the Prices of Goods Act is the same *absolute* profit as that obtaining on the 25th of August 1939, that is to say, the profit in pounds, shilling and pence or in rupees, annas and pies rather than the *percentage* of the profit.

Despite the fact that the Ordinance is an enabling Ordinance, it is bad legislation when a law is passed which the Government knows full well is being broken by everyone in the country, even though it be to grant them powers to take penal action against those persons who break it the most audaciously and criminally.

And now, Sir, I would like to draw the attention of the House to the words of Mr. A. D. Shroff, one of the authors of the Bombay Plan, whose reputation in Bombay as a sound financial thinker stands high. Whatever may be the merits or shortcomings of that Plan, its authors make clear that they claim nothing for it but that it is a plan. In its publication, however, they have not laid sufficient emphasis on the warning given on Saturday last by Mr. Shroff when he said 'every one must prepare himself and herself to face the hardships, the privations and the sacrifices which the execution of a plan of that magnitude will entail'. I hope, Sir, that these words will be pondered over for the sacrifice and privations, particularly by those unaccustomed to them—and they represent a very large measure of people in whose hands today are the guiding reins of industry—will come the harder but come they inevitably will whatever be the plan to equalise the wealth of the country between the rural and the agricultural population.

India, Sir, will emerge from this war with her relative economic strength greatly increased. By the time it is over, she will have virtually cleared her external debt. To what other country of the United Nations can such a statement apply, particularly as her soil will have suffered practically none of the ravages of the war? I say with sincerity that war under those conditions is a bad apprenticeship, particularly for a country on the threshold of its industrial career. That is the reason why I have drawn attention to the words of Mr. Shroff.

I will not allow this opportunity to pass of asking the Finance Member to study the South African and Argentine methods whereby the cultivator receives a fair share of the price at which his grain is sold in the market. The enforcement of such a process in this country will, I believe, go far to equalise the balance of wealth between the rural and agricultural areas.

In conclusion, Sir, I believe that my Honourable friend, Mr. Jaunnadas Mehta, was serious when yesterday he demanded that a Dictatorship should handle food. I whole-heartedly support him if he means that the recommendation of the Gregory Report, that all transactions in food grains should be the monopoly of Government, should be enforced. Food is largely a provincial matter and I hope no Provincial Government is in opposition to this obvious essential.

In finality, in these discussions and in this great monument of under-statement, the Finance Member is frequently treated as an inanimate and impersonal body. To his personal being and to the skill of his endeavour, I would pay tribute. He has piloted this country's finances through the treacherous and troubled waters of the war and history will no doubt prove how truly he has served India.

Mr. N. M. Joshi (Nominated Non-official): Sir, I recognise that during a period of war of this immense magnitude the finance of a country cannot be in a normal condition. Not only the expenditure but even the revenue is in an abnormal condition. It is extremely difficult to make a correct estimate of the revenue and also to forecast the necessary expenditure. Therefore, I shall not deal with the details of the present Budget, but I shall examine very briefly the general policy of the Government of India and of the Honourable the Finance Member, which is followed in the management of the finance of this country. The Government of India have to find money for the ordinary needs of the country as well as for the defence of this country. Not only that, the Government of India, in my judgment, very gratuitously, have taken upon themselves the responsibility of finding the rupee finance for the purchases made in this country by the Government of the United Kingdom and also by the United States of America. I feel that the Government of India, if they had only to meet the ordinary needs of the country and for the defence of this country, could have easily found money during the present period by methods of taxation and of voluntary loan.

As far as taxation is concerned during the war even without inflation, the capitalists and the merchants both make money and if the Honourable the Finance Member will only avoid throwing burden on the people who are unable to bear any burden, he can easily secure whatever amount is necessary for the needs of the country. Similarly during the period of the war, even without inflation, I feel that the Honourable the Finance Member could have raised the necessary amount by voluntary loans, if the Government had the confidence of the public in this country. There is no doubt that the Honourable the Finance Member has secured a large amount of money by means of loans, but I feel that if the Government of India had made themselves a national government, had insisted upon a national government being established, they could have got all the money necessary by voluntary loans. If the Government of India could not establish a national government in their place, instead of securing money by resorting to the free use of the printing press, the Government of India, in my judgment would have been justified in raising money by compulsory loans from people who could afford to give those loans. But, Sir, the Government of India, so far as the capitalists of this country are concerned are very timid. They do not like to displease the wealthier classes of this country and, therefore, as the Honourable the Finance Member wanted large sums of money for financing the purchases of U. K., he resorted freely and without any control to the use of the printing press. He is therefore responsible for the inflation which has taken place. Some time ago, not very long ago, the Honourable the Finance Member doubted the existence of inflation in this country and when he had to recognise, he said there are tendencies towards inflation in this country and he even justified the use of the printing press for securing the necessary finances.

In my judgment the Honourable Member does not fully realise the consequences of inflation. Sir, when a Government intentionally prints money without any control, the people who suffer are the poorest people in the country. On account of inflation, the rich become richer and the poor become poorer. The capitalists, the big manufacturers and the merchants make money, the landlords, the big landlords. I mean, also make money. The large class of wage earners, including the agricultural wage earners, I may even say the people who receive moderate salaries, they all suffer, not only that, but in our country a large portion of the cultivators suffer because in our country, the cultivators are small cultivators. The average holding in India consists of four or five acres, and a very small portion of our cultivating class consists of people who have got surplus to sell. Those who have not got surplus to sell, a substantial surplus to sell, they suffer on account of inflation. This inflation has brought large misery to this country. Unfortunately the Honourable the Finance Member has not got sufficient information regarding the misery which is caused

by the policy which he has followed. I have heard in this House remarks that on account of inflation the cost of living has gone up, the prices have gone up, but the working classes have received dearness allowance. They talk of large dearness allowance being received by the workers of Ahmedabad and Bombay. But even in Ahmedabad and Bombay, the whole increase in the cost of living has not been compensated for. It is only 75 per cent. of the increase in the cost of living in Ahmedabad and Bombay that has been compensated for. The real wages neither in Bombay nor in Ahmedabad are even equal to the pre-war real wages. In other less organised industries the workers have suffered terribly. The dearness allowance where it is given is not quite sufficient. It is inadequate. I therefore feel that the Government of India must hold itself responsible for the great misery which has been caused to the working classes of this country and also to the masses of the people of this country.

The Honourable the Finance Member excuses himself for not having taken the safeguards to prevent inflation when he was making free use of the printing press to keep his rupee finance. Not that the Honourable the Finance Member was not aware that safeguards could be taken. He himself had told us only during the last Session that the use of the printing press does not necessarily lead to the evils of inflation. I want to ask him as to who is responsible for not taking safeguards which are necessary to prevent the evils from inflation. The Honourable Member excuses himself again by saying that the machinery of the Government of India was not well equipped for the proper use of the safeguards which are necessary, namely, the controls which are necessary. He also lays the blame on the country being not well organised as some other countries so that he could not take sufficient measures, adequate steps for control over prices. Sir, as regards control over prices, we all think it is necessary if the people of this country are to be protected against the evil effects of the inflation policy of the Government of India. But the Government hesitated all the time, they were hesitating for a long time. They acted slowly and when they acted, they only acted partially. Sir, the Honourable the Finance Member is responsible for the evils which have arisen on account of his policy of vacillation as regards the control of prices. He now talks about control of prices. He said he could not control prices because it was necessary to control food prices first. But why did he not control food prices first. He should have done that. Similarly he talks about prices of cloth having been reduced by 40 per cent. But he forgets that the prices of cloth have trebled and even quadrupled and the reduction of 40 per cent., even if that reduction is real, is not going to give relief to the people of this country. I therefore feel that the Honourable the Finance Member must be held responsible for not exercising sufficient control over the prices in this country. I would suggest to him that even now if he wants to protect the people of this country, he must take firm and vigorous measures for controlling the prices of all articles in this country.

Then, Sir, the Honourable the Finance Member in my humble judgment, if he wanted to protect the people of this country against the evils of inflation, should have regulated and controlled the production of goods in this country, and encouraged the production of those goods. Unfortunately the Government of India's policy as regards production of goods was again not only vacillating but inadequate. The Government of India do not even now realise that if the people of this country are to be protected against the evils of inflation they must encourage the production of more goods. They are not only not doing it but in many cases they are still very indifferent. I know there are industries in this country—they may be small or large—many of which on account of the shortage of coal are unable to produce sufficient goods. The Government of India must be held responsible for the shortage of coal. And not only that. The other day when we were discussing the production of coal my Honourable friend, Sir Henry Richardson, stated very clearly that the industrialists have at present no encouragement to produce

[Mr. N. N. Joshi.]

sufficient coal, and the Government of India, very wrongly and very weakly in my judgment, have sanctioned a production bonus for the coal owners. I feel that the policy which the Government of India are following in this matter is wrong. If you try to encourage the manufacturers by way of production bonus the burden of taxation will again fall on the poorer people of this country. Therefore the only remedy for the Government of India was to insist upon the manufacturers giving the necessary production or the Government of India taking the industries in their own hands and under their own control. But again the Government of India, when it is a question of dealing with capitalists, follow a policy which is timid. Moreover, the Government of India in my judgment should have encouraged production and kept production under their own control so that we would have got more goods for our use than we have been getting. Not only that. I feel that the Government of India should have also kept full control over the distribution and rationing of goods. The people suffered for a long time on account of improper or unequal distribution of foodgrains in this country; people are still suffering on account of scarcity of cloth or at least the high prices of cloth. I feel that even in the matter of the supply of cloth the Government of India should not hesitate to introduce a system of rationing. For all these reasons the poorer people of the country have suffered on account of the wrong policy which the Honourable the Finance Member has been following in the matter of inflation.

Then, when the Finance Member tries to find money by way of taxation he again follows a wrong policy. It is not difficult for the Government of India to secure whatever money is necessary by taxing only those people who are able to bear the burden of any further taxation. I know the Finance Member has increased the rate of income-tax, super-tax and also the deposits from the excess profits tax. But as he is already getting more money by way of indirect taxation and which already has been weighing very heavily on the people, he could have avoided getting more money by the duty on unmanufactured tobacco which falls upon the poorer people of the country; he could have avoided levying a duty—and according to me a very heavy duty—on betelnuts. He had no right to tax articles of food like tea and coffee. The Honourable the Finance Member again to avoid a little further taxation on the wealthier classes of this country has come forward with measures of taxation which will further increase the burden of taxation on the poorer people. He has already by his policy of inflation put a great burden on the people which he could have avoided and he is now trying to add further to that burden by imposing taxation which will fall on the poorer people.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Mr. N. M. Joshi: I hope the Finance Member will show a little more courage and spirit of justice to tax only those people who can bear the burden of taxation. In England these rich people are not allowed to have large incomes at present. But in India the wealthier classes can have any large incomes which they like. The Honourable the Finance Member could have increased the rate of income-tax; there was sufficient scope for it; but he was timid and so he could not do it.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. N. M. Joshi: Sir, I have done.

Rao Bahadur N. Siva Raj: Sir, in the circumstances in which the Government of India are placed and the limitations under which the Finance Member is called upon to work, it is indeed a matter for congratulation that he has given us a Budget in which it will be somewhat difficult for an impartial critic to find many points on which he can be criticised or to which objection can be taken. The budget indeed must bear upon it the impress of the conditions that exist in our country. There are two such features which one can

notice in this Budget. One which is not due to any fault of the Finance Member, is the lack of control that this Legislature and the public have upon the Government of India and, even more the lack of control that the Government of India in their turn have over the army authorities. The second condition that exists is the fact that Government in their turn have no confidence, generally speaking, in the people of India in all their war efforts. It is unfortunate that it is so, but the fact remains that on account of the tendencies that have been exhibited by the political parties in India—in one case a positively hostile and in another an indifferent attitude towards the war effort—the Government of India in their turn have become rather panicky in the matter of preparation of this Budget. So that in the present Budget, if the conditions had been otherwise and if the parties in our country had been practical, knowing the effects of war and knowing the possibilities that this war has given our country and had come in for co-operation in this war effort, some of the undesirable features of this war Budget could have been avoided. It is my firm conviction, Sir, that this Budget is in certain parts needlessly exorbitant because of the fear that the Government of India has in respect of the co-operation of quite a number of people in our country. However, I would not labour the point having regard to the time at my disposal. I merely want to utilize the little time at my disposal in raising one or two questions in connection with this Budget.

In the first place, I want to know whether at all it is necessary in the preparation of the defence expenditure that a classification should be made between the basic normal Budget and, what is called, India's war measure. I do not suppose that either the Budget of the United Kingdom or the United States has made any such distinction and, in the second place, I want to know if this classification will have any bearing later on in the matter of the allocation of the defence expenditure in India as between India and the United Kingdom or even the United States. I feel, Sir, that particularly now, when the United Nations can take credit for having achieved victory in many a battle field and having turned the corner, and having regard to the fact that India may now be considered to be not a place which so much depends upon its defence as upon the fact that it is an operational base and it is about to take offensive action against Japan, I personally feel that even these 36 crores and odd, which is classed as a normal basic Budget, ought to be included in the operational expenses, if I may use that phrase, so that, really speaking, India ought to have much less of the normal basic Budget and that more of these 36 crores ought to go into the expenses of what I call the 'operational expenditure'. With regard to the allocation of the expenditure between India and His Majesty's Government I should suggest—I do not actually know what the arrangement between this Government and His Majesty's Government, because that is an Agreement of confidential nature—that any increased expenditure on account of war ought to have some bearing to its basic normal Budget. I do hope the Finance Member will keep that in view.

Sir, there is another point which I should like to stress upon the attention of the Finance Member as also upon the attention of this Honourable House. The Budget has got certain features. One feature is that it is the result of unpreparedness generally of His Majesty's Government to meet this war and, as in all cases where a man is unprepared and wants to meet an emergency the expenses are bound to be much greater than those of a man who has foreseen and is making a plan of defence, and it is rather hard that India should be called upon to pay much more than she should normally for the unpreparedness of His Majesty's Government, which generally takes the responsibility for Empire's defence.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

[**Mr. M. Azizul Huque:**]

per cent. That 20 per cent., we consider as a result of our experience, ought to be quite enough to meet the average charges of transport plus profit. But if one section of the traders, namely, the wholesale dealers take 16 per cent. and leave only 4 per cent. for the retail dealer, surely 20 per cent. will never be enough. If the wholesale dealer wants 50 per cent. 50 per cent. will not be enough. There must be some adjustment between the wholesale dealer and the retail dealer, after deducting the transport charges as to what should be the nature of the wholesale dealer's profit, and what should be the nature of the retail dealer's profit. In a country where criticisms are not unjustifiably made on many aspects of our life, that things are not managed according to the standard of poverty of the people, we lay down 20 per cent. as the maximum profit and, we are criticised on the ground that it is too low for a poor country like India. I do not hold that view. I feel that there is enough scope for everybody to make a substantial profit if he wishes to on the rationalised profit of 20 per cent. provided the profit is apportioned between the wholesale dealer and the retail dealer after meeting the transport charges. We are not saying this without facts. We have dealt with the question of standard cloth, and we have taken the overall charges including transport charges of the provinces, including transport charges of the Central Government, including the profit of the retailer, for heavy commodities like textile goods, at 6½ per cent. and we have found that that rate is quite enough to leave a small margin of profit. Having regard to that experience of ours, we fixed 20 per cent. But we knew that there were commodities in which 20 per cent. might not be enough. The question is, what shall we do if we want to do it? What should be the standard? Anything which you do other than fixing at some definite rate or other, must again expose ourselves to the criticism that we have not enunciated the law properly and that it is impracticable owing to its generalities and vagueness. I feel that 20 per cent. for trade and business as between the wholesale dealer and the retail dealer is the most salutary maximum which we can put before the country, and I have no doubt in my own mind that a time will come when the profit of 200 per cent. or 300 per cent. will be a thing of the past. That cannot be supported for a poor country like India. A poor country like India wants a low profit for everybody, and I believe the traders also must feel that the time has come when the question of 100 or 200 per cent. profit is a thing which cannot be justified on any ground of commonsense or reason according to the circumstances of this country.

Sri K. B. Jinaraja Hegde (West Coast and Nilgiris: Non-Muhammadan Rural): What about the percentage of profit on watches?

The Honourable Sir M. Azizul Huque: My Honourable friend has put me a question, I will give a reply to it.

I am here saying that we have not fixed 20 per cent. in every case. Take an example like watches or fountain pens. If a watch is considered a necessity, if it is a fact that watches are not as plentiful as black berries, if it is a fact that dealers in watches have to keep a certain amount of stock of their own, if it is a fact that under war conditions they cannot sell as many to-day as they did before, surely we shall have to assess the profit on a consideration of all these factors and not stick necessarily to 20 per cent. If, therefore, there is any charge where we have gone more than 20 per cent., if we have gone even to 50 per cent. if it is a fact that watches are not as plentiful as black berries, if it is a fact and I am quite prepared to face criticism and justify our action for every bit of the item in regard to which price has been fixed.

An Honourable Member: It is 100 per cent.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rural): Is there any case where more than 100 per cent. has been fixed?

An Honourable Member: Radios.

The Honourable Sir M. Azizul Huque: The price of radios was fixed long before the Ordinance came into effect.

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadan Rural): The profit is made by Government.

The Honourable Sir M. Azizul Huque: That was fixed long before.

Sardar Mangal Singh (East Punjab: Sikh): What about the high salaries?

The Honourable Sir M. Azizul Huque: I will join my friends if there is an all round curtailment of everything. I have never been afraid of being a poor man, but here I want that that poverty should be shared by everybody and not that there should be a rich who will reap the benefit at the cost of the poor.

Mr. T. S. Avinashilingam Chettiar: May I know what is the maximum profit that has been allowed by Government?

The Honourable Sir M. Azizul Huque: I think the Honourable the Finance Member will be able to give an explanation with facts and figures that the Members of the Executive Council have to part with a substantial part of their salaries for the purpose of income-tax.

Mr. T. S. Avinashilingam Chettiar: May I know what is the maximum profit that has been allowed by Government?

The Honourable Sir M. Azizul Huque: If it is the object of my Honourable friend to criticise with respect to any abstract figure, I cannot argue with him, but I say this much that we have tried to rationalise the profit at 20 per cent. and as regards any commodity where we have allowed more in profit, we have carefully gone into the question as to the cost of transport and other charges and on that we have assessed the profit. But do remember that this profit includes the cost of transport. If a radio is transported from Bombay to Nagpur it is not the same thing as to transport wool from Nagpur to Bombay. Therefore, after considering all these factors,—the cost of transport from port to headquarters, and then from headquarters to rural areas—after a calculation of all these we have fixed an overall profit of 30 per cent. 40, 50 or it may be 100 per cent. But it is certainly less than the price which has been charged only about 5 months before. I am prepared to accept the criticism as to why in some cases it is 100 per cent.—it may or may not be so—but I will not accept the criticism when I say that we have reduced from 300, 400 and 500 per cent. at least to the figure with which my friend credits me today. I have nothing more to say on this point except that I have to point out to this House that under the Ordinance it is now incumbent on every seller to give a cash voucher for every sale over Rs. 10 and for every sale below Rs. 10, if the purchaser wants it, it is incumbent upon him to give the voucher.

Mr. Ananga Mohan Dasi (Surma Valley cum Shillong: Non-Muhammadan): But they don't give any.

The Honourable Sir M. Azizul Huque: I cannot deal with the crimes and sins of four hundred millions of people. I can only deal with it if my friends take the responsibility of reporting it to me and if I do not take any action, after the matter has been reported to me, then my action is open to criticism. Sir, the Indian Penal Code was promulgated not with a view that there would be no crime in this country. It is with a view to deal with crimes that laws are made. I know that my friend will say there will be crimes, there will be omissions. There will be fragrant breaches. It is with a view to minimise the evils that laws are promulgated. We cannot make a perfect man or a perfect society. Much more will be needed for that purpose but for the time being we have been able to devise a system by which much of this evil will be minimised.

As regards the other points, it is now only four months since we started work. Our staff is not yet too large. We have to depend on provinces and we have to depend upon many other factors but we are gradually trying to bring down the prices and I think everybody will admit that at least for the articles which are available the prices have appreciably come down.

Sir, I will only say one thing more and that is this. Sometimes, it is not realised what a colossal amount of work has to be done before these control measures are brought in. Leaving aside the standard cloth, I have before me the other textile orders. They are huge printed volumes of

[Sir M. Azizul Huque.]

textile prices and it is not the complete list. A large amount of administrative work has to be gone through before a system can be perfected. We have to go carefully into the question of specification and other technical details and for the time being I take credit for this fact that we have done our level best. We shall be glad to have helpful criticism and if any one would kindly suggest as to how things can be done, I can assure him, on behalf of the Department that we will be only too glad to give heed to the suggestions and even where there are things which have not been done correctly, if they are pointed out to us, we will certainly try our best to rectify the mistakes.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): May I put a question? The price in the case of certain articles has come down from 500 to 300. Can we reasonably expect that there will be a further reduction?

The Honourable Sir M. Azizul Huque: So far as textiles are concerned, which is the main matter, from August, we have brought down the cloth price from 2/3 to 1/14. We are gradually trying our best to bring down prices slowly without bringing about a crash in the economic position of the country.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): The Honourable the Finance Member told us that this was the 5th war budget that he had to introduce. May I tell him that he is perhaps the sixth Finance Member with whom I have had to deal as a Member of this House, and never before had I felt so humiliated as I do now in speaking on an occasion like this. I recall the discussions that took place on the 24th February, in the course of which this House, in no uncertain voice, made it perfectly clear that it was not prepared to agree to the enhancement of the railway fares; and yet what do I find in the Honourable Member's speech? In paragraph 65 of his Budget speech, he actually assumes that the railway fares have been enhanced already and he cites that as one of the anti-inflationary measures which he is going to take. There is no word of explanation as to the circumstances in which the vote of this House came to be so flagrantly disregarded. It is not merely because I consider it a matter of sentiment that I am raising this issue. It has a constitutional significance. May I draw the attention of the House to page 18 of the Explanatory Memorandum on the Budget as laid before the Indian Legislature? Honourable Members will find that the Railway Reserve fund is shown there under the Ways and Means Estimates, as 20 crores 84 lakhs—the original figure which was contained in the Demands for Grants of the Railways under Demand No. 10, as far as I recollect, and which was reduced by a definite vote of this House by ten crores.

The Honourable Sir Jeremy Raisman: The Explanatory Memorandum was printed some time before.

Mr. K. C. Neogy: I would draw the Honourable Member's attention to the fact that the Explanatory Memorandum was printed on the 28th February.

The Honourable Sir Jeremy Raisman: It bears that date. It is not printed on that date.

Mr. K. C. Neogy: I take it that the House was entitled to an explanation from the Honourable Member in his speech that this was a mistake and that we would be expected to correct that mistake in the Explanatory Memorandum. The Honourable Member was speaking late in the afternoon of the 29th. May I also remind him that the Honourable Member's speech is divided into two parts, the first part was printed on the 28th February at the Government of India Printing Press at Delhi, whereas the second part, containing the post-war planning proposals and the new proposals, including the taxation proposals, was printed at the Press of the Private Secretary to the Viceroy on the 29th February.

The Honourable Sir Jeremy Raisman: 'is dated' would be the appropriate expression.

Mr. K. C. Neogy: I know something about the work of the Printing Press. It is put down here that the paper was printed in the Private Secretary's press

on the 29th. I do not want to raise the issue as to whether the fact that this latter portion of the speech was printed at the Private Secretary's press has got any particular significance; but I take it that the printing of that statement at the Private Secretary's Press is not tantamount to a certificate from the Governor General. I am perfectly aware of the constitutional limitations subject to which we have to work this constitution. But, Sir, I am certain that even the Honourable Members sitting on the Government Benches, particularly the Honourable the Law Member, would not allow the provisions of the constitution to be disregarded in such a fashion. When a vote is passed in this House, that vote is binding upon the Government so long as the Governor General's power of certification does not come into play, and we are entitled to an explanation from the Honourable the Finance Member as to why he disregarded the vote in this fashion.

Now, Sir, I was very pleased to hear my Honourable friend, Sir Henry Richardson refer to the immense burden of the war expenditure. I recall an occasion when the Honourable the Finance Member, while speaking in the other House, perhaps, some time ago, took exception to expressions like the crushing or heavy burden of war expenditure. I am glad to have my Honourable friend, Sir Henry Richardson's testimony to the fact that the burden is heavy indeed. Now, Sir, as the burden is getting heavier, the information that is vouchsafed to us regarding the details of this expenditure is getting scantier and scantier. I hold in my hand the publication called the Budget Estimates of the expenditure on defence services, etc., for the year 1939-40. It runs into about 300 pages, giving all the details of expenditure under various heads. The corresponding paper that has been placed before us as a part of the Budget papers on this occasion runs to 8 pages.

Dr. P. N. Banerjee: Due to paper economy.

The Honourable Sir Jeremy Raisman: Due to the accident of war.

Mr. K. C. Neogy: The war is an excuse for many things.

The Honourable Sir Jeremy Raisman: War is a very good excuse for not telling the enemy all the details of your expenditure.

Mr. K. C. Neogy: I knew that the Honourable Member will say that in reply. But in this particular Volume of 1939-40 I find there were many details which could easily have been given without making such information of any value to the enemy.

The Honourable Sir Jeremy Raisman: Who is the judge?

Mr. K. C. Neogy: Even if my Honourable friend's objection is valid, what is there to prevent a secret Session of this House as was suggested, I think, by my Honourable friend, Sir Muhammad Yamin Khan, where more of these details could be made available to us without being communicated to the enemy.

Now, Sir, I tried to compare some of the statements which the Honourable Member made in his previous speeches in relation to the defence expenditure with the statements made on the present occasion, and I find that whereas definite information of statistical character is denied to us, his present speech is composed of vague assertions, indefinite speculations, pious hopes and cryptic statements. Is that the way to deal with this House in asking them to accept a burden of the character that this Budget represents?

Now, we know that we are working under a financial settlement between His Majesty's Government and the Government of India in regard to the defence expenditure. It has been described to be very broad. This is how it was described by the Financial Adviser of Military Finance: "Extremely broad nature of the settlement", and I take it extremely elastic. The defence expenditure is determined under a particular formula that has been agreed to as part of that settlement. In 1942 the Honourable Member went to England because there were certain developments which required a re-examination of the formula. The Honourable Member on return assured this House that the formula stood, and that the terms of the original settlement were not to be varied, but in practice what has happened? The expenditure that used to be divided between England and India, and the expenditure that was in certain circumstances exclusively borne by Great Britain, has in some instances perhaps been saddled on to India. I know

The Assembly reassembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Rao Bahadur N. Siva Raj: Sir, I was referring to the question of supplies to the armed forces in India. While it was probably necessary in the past on account of the unpreparedness of the Government of India that they should indent for a large amount of supplies, which may not be quite necessary, scientifically speaking, for the requirements of the army, the time has now arrived when the Government should revise its policy of supply for the army. If it is done carefully and scientifically I honestly believe that it is possible for us to reduce the amount of supply, and moreover it is possible for us to distribute the indent for those supplies more evenly than hitherto. That will go to reduce in my opinion some portion of the expenditure for the army supply.

Another thing that I would urge upon the attention of the Finance Member is that he must ask the army in many ways to undergo some sacrifice, exactly like the civil population is called upon to. In fact one notices in this country such a gulf between the armed forces and the civil population in the matter of their supplies that the civil population has not merely gone without many things but it has also suffered for lack of the essential commodities. The army is, I think, more than supplied not only with necessities but also with luxuries, and it is necessary that like other countries, e.g., the United Kingdom and the United States, equality of sacrifice must be established between the armed forces and the civil population, so that there might not be too much of strain upon the civil population. In connection with this, I should like to invite the attention of the Honourable Member for the transfer of six crores from the Customs Revenue to the defence services as an exemption. I think, Sir, that six crores ought to have been made the income under the Customs and must be debited to the defence expenditure, because later on when the allocation is made of the expenditure between the Government of India and the United Nations, credit may be given to this and the burden will be distributed between India and the United States Government.

Another suggestion I should make to the Finance Member is to fix, just as he controls the price of other commodities in India, the price of gold that is sold in India. Even that must be brought under a kind of control. I think there is considerable truth in some of the suggestions and criticisms made in the way in which gold is sought to be sold in this country. We must take advantage of the position and we must get the real benefit of these gold transactions in India. So, it is essential that the Government must fix a lower price for gold.

I want to say something in connection with the Burma evacuees and the Burma question. I agree with those who made the criticism that the Government of India is spending too much on these Burma evacuees. No doubt. I agree that it is quite consistent with our sense of generosity and hospitality to treat these unfortunate people kindly and give them such charity as they deserve, but I find that the Government of India has established a policy with regard to the treatment of the Burma evacuees by going further and giving them preferential treatment, so much so that our own people in India do not get the benefits which these Burma evacuees get. So, it is necessary that the Government of India ought to change its policy towards the treatment of the Burma evacuees.

There is also the question of the Government utilising the services of our local people in many of the positions which now are occupied by these gentlemen from Burma. Sir, as I said there is one matter of which there could be no difference of opinion in this House with regard to this Budget, and that is the new lead that has been given by the Finance Member in the framing of this Budget and I hold the opinion that in the future any Government of India cannot afford to go back to the old state of its finance and it ought hereafter to deal with and handle what will seem to us to be astronomical figures. And

whereas for the purpose of the war we have come to this state of things we do hope that the lead that has been given by the Finance Member will be continued by his successors for a purpose which is more permanent and which will be more useful, namely, the post-war reconstruction schemes. No doubt people are not quite definite as to what exactly is the post-war reconstruction scheme for India. I am not a believer in the word post-war. I believe that reconstruction, rehabilitation, improvement and the development of India ought to go side by side with the war efforts themselves. We already find, on account of the policy adopted by what might be called the United Nations High Command with reference to fighting the enemies, namely, putting down Germany first and coming to Japan later, we fear that just at the time when India is entering on an offensive against Japan and probably locked up in a struggle against Japan, countries like the United Kingdom and the United States, having defeated the Germans, will be starting on and working up their post-war reconstruction schemes. So, I fear India will be really handicapped on account of this high strategic policy which has been adopted by the conference of the United Nations. I would insist that the Government of India do immediately take up the question of post-war reconstruction on a practical basis instead of merely dealing with files, plans and schemes, and that India should not be caught napping in the middle of a deadly struggle with Japan and at a time when countries like England and America would probably already have gone a long way in the matter of rehabilitation and the reconstruction of their schemes.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Mr. Deputy President, very few words are needed from me to reply to some of the points raised in connection with the administration of the various control measures and the administration of the Department itself. Before I say anything, I have to refer to certain remarks and views of Sardar Sant Singh. I think we have to adopt an attitude of despair if in a country of 400 millions we have to take any steps, and in a measure like price control a man like Sardar Sant Singh says that it is no use going to the police or it is no use making a report about high price or if there is not that amount of co-operation which is essential. I am glad to say that even though Sardar Sant Singh did not complain there are many others who are coming forward with complaints, and every bit of these complaints is being investigated and necessary action taken with a view to check profiteering and hoarding. Here, round about Delhi, there have happened several cases and all over India there have been many cases, some of which have eventually gone to courts and some of them have been punished. But I do point out when criticisms are made that it is not more than four months before that this Anti-hoarding and Profiteering Ordinance was promulgated. Four months time is not long when we consider the gravity of the problem which we have to tackle. But quite apart from the fact that any successful handling of either price control or checking profiteering must necessarily depend upon the extent of co-operation from the public, I must refer to the fact that some of the criticisms show that they have not yet cared to know what the provisions of the Ordinance are.

Criticisms have been based mainly on the ground that we have fixed the profit at 20 per cent. If the ordinance is carefully gone into, it will be seen that we have not done anything of the kind. We have no doubt tried to rationalise profit, and in order that there may not be any loopholes when matters go to court to decide the nature of the profit with respect to different commodities, we have tried to rationalise profit at 20 per cent. as a general basis. But we have also made provision that it is open to any trade, to any seller, to approach the Controller General to fix a higher percentage of profit if that is justified. Here I may say that there have been several cases in which we have gone beyond the 20 per cent. figure when cases have been referred to the Controller General. Therefore, it is not correct to say, and it is more or less to divert attention if you say that we have fixed the profit at 20 per cent. No. All that we have done is this. The time has come for a country like India when we must try to rationalise profit on some basis or other. We have taken the basis to be 20

[Mr. K. C. Neogy:]

also the Honourable Member's explanation, but I should like to give this House the figures because they will tell their own tale.

I am referring to the expenditure on account of aerodromes and airfields in 1940-41. The total expenditure under this head was 46 lakhs, the whole of it having been charged to His Majesty's Government. In 1941-42 the total expenditure was 1.07 lakhs, out of which 25 lakhs was charged to His Majesty's Government and 82 lakhs to India. What do we find in 1942-43? The total expenditure stands at 63.27 lakhs. Nothing of this has been charged to His Majesty's Government, and the whole of it has been charged to India. Of course, I know the explanation which the Honourable Member will give and has already given. But then the fact remains that the terms of the settlement are so elastic that it is possible to bring about such a result.

As regards the progressive increase of expenditure under air fields, the Honourable the Finance Member's observations made last year in the course of his Budget speech under the head 'Civil estimates' have some relevance. This is what I find in paragraph 39 of the Honourable Member's Budget speech of last year. While dealing with the civil defence expenditure, he said:

"A reduction of 2½ crores in respect of civil defence expenditure is also anticipated (he was thinking of reduction of expenditure) as a result of the general improvement in the war situation and the less imminent threat of enemy attacks. We hope, indeed, that the provision now made on this account will be still further reduced as a result of the provisional conclusions reached at a recent Conference of future civil defence policy."

If really we are concerned only with the defence of India, and if really India is expected to pay only for her local defence, then how is it that just a year ago the Honourable Member was thinking of reducing expenditure under the civil defence head which, I daresay, has a direct bearing upon the air fields and aerodromes. He was thinking of the improvement in the situation that had taken place, and he thought that he was taking no risk in revising the expenditure under civil defence, and yet the expenditure under the Air Force and aerodromes has gone on increasing and increasing. The Honourable Member will have to explain the disparity, as far as I can see, between the position which he took up last year and the position which he is trying to support this year.

Now, Sir, while I am on the question of air fields, I should like incidentally to deal with the miserable device which Government had to resort to for the purpose of bringing about an illusion as regards the quantum of the defence expenditure by creating a capital account. I know the grounds which the Honourable Member has given in support of this device. He thinks that the works, particularly, of the nature of air fields and aerodromes, will continue to have some capital value in the future and therefore it is as well that he puts all that expenditure into a capital account. Now, Sir, air fields are liable to damage by reason of enemy bombing and also by reason of constant wear and tear. What the capital value of these air fields and aerodromes will be is a matter on which there must be grave doubts. Incidentally, I should also like to draw the attention of the Honourable Members of this House to the extravagant and wasteful methods which characterise the construction of aerodromes and air fields. I am very glad that my Honourable friend, Dr. Ambedkar, is present in the House now; he will remember that in reply to a question of mine about a year ago he made a statement to indicate that in connection with two aerodromes a Provincial Government had to raise an exception to the very high rates to which the Central Public Works Department had agreed, and that in the case of certain items the rates had to be reduced by 50 per cent. as a result of an inquiry on the protest of the Government of Bihar as far as I can recollect. And yet the old contractors continued their contracts! It is a matter of common knowledge that the construction of aerodromes or air fields are characterised not merely by extravagance, but things much worse; and my Honourable friend justifies the showing of these splendid works under capital head because they will have some value in future after the war is over.

Sir, there is very little time for me to deal with any other point. I have to come back to the financial settlement. The Honourable Member said that

there are two objects with which that settlement was arrived at. The first one is to limit India's financial liabilities within her financial capacity, and the second was the simplicity of the formula. Now, Sir, so far as India's financial capacity is concerned, the Honourable Member's war finance has been characterised by manipulation of the currency of the country in such a way as to inflict death upon millions of my countrymen and untold misery upon millions more. Is that the measure of the financial capacity of India? If he really means what he says, he should not be satisfied with the fixing of a variable ceiling to expenses under different heads; he should try to bring about a definite maximum expenditure beyond which India must in no circumstances be expected to bear the cost of defence.

Now, Sir, there is just one point to which I might refer and that is this. The Honourable Member gave an elaborate explanation of the difficulties of assessing the value of Lease-Lend in connection with defence expenditure last year—Lease-Lend with regard to goods and services that India was receiving from Great Britain, and reciprocal or reverse Lease-Lend facilities that we were expected to give to the U. S. A. I have no time to give any quotations from the Honourable Member's speech last year. There he was full of doubts, he was conscious of the difficulties in assessing the value of the services and he said that unless India had direct negotiations, and a direct agreement with U. S. A., it would be very difficult to assess the value of services and cost of Lease-Lend and reverse Lease-Lend. He said that steps were being taken, following the example of certain Dominion Governments, to negotiate a direct agreement. This year, he says that after preliminary discussions, it was agreed to suspend negotiations for a direct mutual aid agreement with U. S. A. The Honourable Member has not given the reasons beyond saying, 'in view of the difficulty of determining India's post-war policy in certain subjects'—I hope the Honourable Member will care to explain.

The Honourable Sir Jeremy Raisman: The interest which the Honourable Member represents is fully aware of what that means.

Mr. K. C. Neogy: I do not think I have been taken into confidence by the Honourable Member.

The Honourable Sir Jeremy Raisman: The interest which the Honourable Member represents is fully aware of what that means.

Mr. K. C. Neogy: What interests?

The Honourable Sir Jeremy Raisman: I shall explain that later on.

Mr. K. C. Neogy: I know I represent my constituency.

Now that the Honourable Member has suspended these negotiations, enlightenment suddenly dawns upon him. Last year he said, the whole question bristles with difficulty; and he has yet found it possible this year to give us a glowing picture of the benefits we derive. The value of goods and services which we receive from U. S. A. he has set off against the value of reverse Lease-Lend supplies that we give to U. S. A., trying to make it out that it has been a very good bargain. Perhaps the Honourable Member would care to explain as to how it was that the problem which was bristling with difficulties, to quote his own words, last year, has been so simplified this year as to enable the Honourable Member to make such a definite statement as this.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Sir, we are now in the fifth year of this terrible war which we are told is being waged with the object of making the world safe for democracy, whatever that expression may signify. The silver lining to the dark clouds that were at one time enshrouding the prospects of the Allied Powers is now visible and its brightness is gaining in intensity. We dimly discern victory for Britain and her Allies marching on all fronts of war, specially the western fronts, but we cannot foretell the exact time of that victory which is unpredictable. One ought to be very cautious and circumspect when talking of the duration of the war and the time of its termination and all over-optimism should be avoided. I am glad that the Honourable the Finance Member has realised the importance of this truth, and has given up his over-optimism. Last year in his budget speech, he talked of a decisive victory in the no long distant future. This year, he has become more

[Maulana Zafar Ali Khan.]

sober and tells us that the precise time and manner of that victory are still hidden from us. The uncertainties of war like those of cricket are glorious. Who could have thought that Russia, after being driven towards the heart of her country by the advancing German hordes, would lose in territory to the extent of 2,000 miles in length and 1,000 miles in breadth; and then suddenly, the historic event of Stalingrad would occur and the Germans would receive a check and begin to move backwards, and backwards and backwards till her entry into Poland. Now, Sir, is it not possible that Germany might emulate the feats of Russia and after having gone back, with a mighty effort might again retrieve the situation and go forward again. Is it not possible that Great Britain and America might receive a check in Italy.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member must make his observations relevant to the Budget discussion.

Maulana Zafar Ali Khan: The Honourable the Finance Member was talking about the war, and so I had to refer to it.

So, you see, Sir, a wise man ought to be very cautious and circumspect and look upon this war as a long war. It may end in six months, it may end in one year, or five years or in ten years (Interruption) or not end at all. Last year a Chinaman said that the war might go on for 100 years. There have been 100 years wars and 30 years wars in Europe and America. So, Sir, a wise man ought to look upon it as a long war and for a long war, the country must be contented, the country must be happy. But is the country happy, is the country contented?

You have heard the speech of my Honourable friend, Mr. Abdul Qaiyum. I will not follow him in the bitterness of his accent but what he said showed the mind of Hindu India and Congress India. On the Nationalist Benches also there are critics; not very violent critics but still critics. As regards the Muslim Leaguers they have not stabbed the Britishers in the back; they have wished them well but what have the Britishers done for the League? We understand them but they do not understand us. The Muslim League tells you in plain and clear words that as long as you are not going to enter into honourable relations with us and settle the destiny of India according to our plan we are not going to be whole-hoggers. We will not prevent anyone from joining the war effort, but as a nation of ten crores of people our heart will not be with you. So, when the condition of the country is such I think a wise Finance Member would see to it that the country is not over-taxed or overburdened; but unfortunately as I go through this Budget it seems to me that the Finance Member is a very cruel camel driver. He has loaded the poor Indian camel with the last straw that breaks its back, but when its back is broken he still drives it on and pokes it and makes it go on. Look at the Budget; it is a Budget of taxes. In regard to income-tax it is proposed to give relief at the bottom of the scale by raising the taxable minimum from Rs. 1,500 to Rs. 2,000. Thanks for this small mercy; the country appreciates the relief but it is not adequate. The minimum should be raised at least to Rs. 4,000 if it is intended that the relief should be tangible. The purchasing value of the rupee has gone down to four annas and this fact must be kept in view. It means that a person whose monthly income is Rs. 100 in reality earns only Rs. 25 which is clearly out of taxable limits. So, if he is anxious to earn the goodwill of the people of this country the Finance Member should raise the taxable minimum to Rs. 4,000. I have received a number of letters from all over the country, specially from Punjab, the province from which I come, and they are clamouring for it.

The Honourable Sir Jeremy Raisman: What is the Honourable Member assessed at?

Maulana Zafar Ali Khan: I am really your friend in this respect that you are drawing Rs. 5,000 a month which means that you are actually getting Rs. 1,250 a month and, therefore, these Benches should not be too hard upon you.

Then, Sir, the Finance Member is always on the look-out for fresh avenues for raising taxes. He taxes tobacco. I am myself a great smoker of the *hooka*. and, therefore, I am with those who are for reducing the tax on tobacco. Levy an impost on highly manufactured cigars and cigarettes, but so far as the poor man's tobacco or *bidi* is concerned it is a sort of necessity for him as much as Johnny Walker is a necessity for you. Then in taxing him more you come to betel-nuts. Shall I give you a tip? There are thousands of maunds of betel leaves chewed by the Indians with lime and *katha*. In your next Budget you might tax this pan and lime and *katha*. If you want to be a popular Finance Member you must make up your mind to give up this tax on betel-nuts and tea and coffee. These are little amenities of life which are left to the poor man. They are small things and may give you a few crores of rupees in order to meet your deficit. But what are two crores and four crores when you deal in astronomical figures like millions and billions and trillions and quadrillions? Give up these taxes and the country will be happy.

I can say a lot about inflation. Last year a friend of mine on those Government Benches told me that India was not likely to prosper so long as the present currency policy of Government continues. Last year the Finance Member seemed to think that there was no inflation in this country and the only inflation was that the rising prices of commodities impinged on the diminishing value of commodities. So you did not believe in those days that there was inflation, but this time you say that there is a menace of inflation and to counteract that you have been taxing the people.

So far as food growing is concerned you talk of growing more food. Many years ago before this war came upon us the Government slogan was, grow more cash crops, grow more cotton and grow more fruits. But when the war came suddenly your slogan changed into 'Grow More Food', but has anything been grown? Has any food been grown? Nothing has been done in the matter. I think you are not as wise as Joseph was in the Old Testament days. In Egypt a famine came for seven years, Joseph who was circumspect, wise and far-seeing stored wheat in the granary and for seven years he supplied not only Egypt but Palestine and other parts of the mid east. As soon as this war was declared it was the duty of the Finance Member to go on collecting food, storing it and calling upon the people to grow more food, taking the campaign in his own hands, and then there would have been no trouble. There would have been no Bengal, there would have been no mortality of 60 lakhs of people. It is all due to you. You are responsible instead of us. You think you are the real representative of the people. But if you are the real representatives of the people and if you have any sympathy with them you will see to it that all these complaints and grievances are remedied. Sir, there are other friends who want to speak on this Budget, and therefore with these few words I resume my seat.

Mr. K. S. Gupta (Ganjam cum Vizagapatam: Non-Muhammadan Rural): In answer to the Government Member, who spoke a few minutes ago, and who was talking of public co-operation, may I ask him how could he get it? People have lost all confidence in you . . .

Mr. H. A. Sathar H. Essak Salt (West Coast and Nilgiris: Muhammadan): Have people lost their confidence in the Deputy President?

Mr. K. S. Gupta: . . . and the goodwill for you is vanishingly small. How can you restore it? Under one condition you can: If there is liquidation of domination in India, you would surely get it, and in the wise words of the Congress Working Committee with regard to the 'Quit India' programme, which is misrepresented and misquoted and any amount of evil propaganda has been made here in India and outside India—I am compelled to quote the exact words because the Honourable Member on the other side has said that there is no public co-operation in the country for them to succeed in their administration except under "withdrawal with goodwill".

The Honourable Sir M. Azizul Huque: I do not think I said that. All I said was that it is necessary that there should be public co-operation. I did

[Sir M. Anisul Haque.]

not say there was no public co-operation. On the contrary, I find that we are getting more and more co-operation.

Mr. K. S. Gupta: That is complacency and optimism, and the Finance Member had plenty of it in his Budget speech. If the Budget speech is to be christened, it is a military Budget; it is a Gosha Budget; nobody knows what is going on behind the screen. How the money is spent, where it is spent and why it is spent. I am a representative of the people and I am not allowed to know. Is this representative Government, is this responsible Government? I oppose the Budget, I oppose it on principle that there should be no taxation without representation. As long as you treat us as helots in our own country, we will not under any circumstances associate ourselves with you with regard to taxation without representation

An Honourable Member: Why not come here?

Mr. K. S. Gupta: Sir, pre-war military expenditure was about 52 crores. The present expenditure has gone up; it is soaring high up day after day, month after month and year after year. It has come to 277 crores, and so there is an increase of 225 crores with regard to military expenditure in India. And what is the condition of India? It is poor, it is devastated, it is famine-stricken. Now, according to your own figures, Professor V. K. R. V. Rao has said for the last fifteen years: "Per capita income in India is only Rs. 69 per year." You could not raise it even by one rupee, but you have raised your budget, specially military budget, five times. Have you got any justification to do so? Are you not bound to see that the civilian population are contented. Even your own officer, Mr. Kirby, says: "Bread to the civilian is more important than bullets to the man in the front." You are neglecting the rear; you are only caring for the front. The other day, the Finance Member said, 'collapse might be the result'. What will be the result if there is no policy, if there is no plan for doing things, and if your heart and head are not in your administration? Mal-administration is your lot and mal-nutrition is my lot. How long can we go on like this? You bleed the people white, you tax them more and more. This is not the policy which a civilized Government ought to adopt.

Sir, you speak of financial settlement. Where was it made, when was it made, between whom was the settlement made? It was made in England, some years ago, between master and servant—both are foreigners. It is not in the interest of India. It is His Majesty's Government which will settle from time to time as the rates of railways, steamers, etc., would be. We are at the mercy of His Majesty's Government. How long are we to be at the mercy of His Majesty's Government? Sir, the only panacea of all these evils is national Government. As long as you are unrepresentative and irresponsible here, we cannot expect any remedy of the evils that are existing now. You have neither the will nor the guts to fight with His Majesty's Government for a fair financial settlement. You say you have got sterling balances. I tell you they are not free. We cannot use them as we please. Even for the use of that His Majesty's Government comes in and we have to wait until after the war when we are promised a paradise, but the present result is misery, deprivation of the essentials of life—food and raiment. How long can India tolerate your presence? No longer can we tolerate; the sooner you quit the better.

You say something about inflation. I am reminded of a story I read when I was a child. One friend went to another friend and knocked at his door. A servant came and opened the door. He asked the servant "What is your master doing?" The reply was, "Sir, he is committing mistakes and trying to correct them". The same is the case with you. Never in your life have you done one good thing, and that at the right time. Your business is to create inflation with one hand and try to suppress it with the other. You are yourself the creator and now you want to kill it. Under no circumstances you can do it. You are complacent about the stability of finance. I think everything is unstable, everything needs an eye of scrutiny which is absolutely necessary.

Your military expenditure is full of wastage. I know that tinned food, tinned fruits are being sold in out of the way places—not in Delhi, Calcutta, Bombay, Karachi or Madras—because they are getting rotten. This is due to overproduction for military needs. You over-produce them for fear that you may not be able to supply the military man in the front who is to be well fed! Why all this? You say you have to fight a ruthless enemy in the East, the Japanese. What are your invasions now? They are only tap-tap invasions. They are not major but minor operations. You have to wait until Germany is vanquished before Japan is tackled with. It will be too late. We cannot wait. The country cannot afford to wait. If you are bent upon seeing that the Japanese are driven out of Burma, take the people of this country into your confidence to such an extent that they will co-operate with you in all your efforts. The blood, toil and sweat of the poor man is more a curse to you and to your war effort than the so-called co-operation and goodwill for your administration at present.

Sir, the other day you spoke about the sale of gold. America and Britain are bringing bags of gold and tons of it into India and selling them to meet their expenses. There, you are not clear. There is vagueness and uncertainty in your statements. Will you answer in your reply that for the last six months they are spending out of the sale of gold for their total expenses in India, and that they would continue to do so in time to come? This vagueness and uncertainty about the future will not do. That will not help the country in any way or direction.

You say you are creating "an Empire dollar pool". Yes you are going to create one! You have already created several cesspools in India. You have to clear them first before you offer us a dollar pool, a heaven on earth and a paradise of bondholders in future, i.e., after the war and the present misery is to continue.

Lastly, I would say that your budget is a budget of jugglery of figures. I wish you had been a musician and not a magician because you cannot get on even as a magician to balance the budget. You are doing things which a national Government would shudder, would think a hundred times to do. Neither the superlative ardour for ruthlessness of Sir Reginald Maxwell nor your financial jugglery would brighten your prospects. I oppose entirely and wholeheartedly any taxation without representation.

Mr. Muhammad Ashraf Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): I very carefully studied the Budget speech of the Honourable the Finance Member and it was on page 3 that I found—at the end of the page—a few pertinent lines, and I would like to read them before the House. It is said:

"That a substantial increase in the demands on India's resources would impose a severe additional burden on her economy which has already shown distinct signs of over-strain and might even lead to a serious breakdown."

Now, Sir, here is a warning to the whole country that the Honourable the Finance Member in his speech expresses things which show that he is panicky, that he himself is not sure of what is going to happen and what will be the result of his enormous increases in the budget. He has shown in these words a little sympathy undoubtedly, but I suppose it is a warning to the whole Indian nation that there might be a breakdown any moment. Sir, what kind of a breakdown would it be? It would certainly be a financial breakdown. These words are foreboding things which we have to consider very seriously and it is a matter to which not only the Treasury Benches but these Benches and our European friends should give very careful consideration. The breakdown may cause not only dislocation of trade, not only dislocation of internal business, but it may be some other kind of breakdown which we do not perhaps anticipate.

Sir, it is said, and it can be said, that it is a war budget undoubtedly and we believe that it is a war budget, but if it is a war budget and you have to take care of the soldiers, you have to take care of the whole army, and you have to take care of the United Nations at the same time, it is thus all the more a business not only of the Finance Member but of the whole of the Indian Government to take care of the Indian people too. May I tell you how the Indian

[7TH MAR. 1944]

The Honourable Sir Jeremy Raisman: Sir, I must confess to a certain amount of difficulty in replying to this debate. It has not only ranged over a very wide variety of topics but it has also revealed a considerable divergence of views on the merits of my Budget. When that Budget was first announced, differences of view had become apparent and I was most interested to hear that my Honourable friend, Mr. Jamnadas Mehta, who I much regret, is not present in the House today, had characterised it as a 'bold and bloody budget'. Well, Sir, I don't know what would be my answer to that but after listening to Mr. Jamnadas Mehta I was grateful for the few kind things he had to say, and for the rest I was tempted to quote the poet who brings in the same word and says;

"Beneath the bludgeonings of fate (or Mehta)
My head is bloody but unbowed."

Now, Sir, I have no grievance in regard to the many criticisms and protests which have been voiced in regard to my Budget except one. I have a grievance against people who somehow expect me to abstract them out of a world at war. People who are possessed of a sort of escapist complex seem to think that it is my duty or the duty of the Government of India somehow to reproduce for them conditions which cannot possibly be found anywhere in the world today.

Now, I will deal first with defence expenditure. My Honourable friend, Mr. Neogy, made much play with documents and statements and previous speeches and I know not what; but what I want to ask him is—does he really in his heart expect that the defence expenditure of this or any other belligerent country in the year 1943-44 would be less than it was in the year 1941-42 or 1940-41, which incidentally, for the purposes of India, was almost a pre-war year? What is the point of quoting the expenditure on air fields in 1940-41...

Mr. K. G. Neogy: I want to know my Honourable friend's estimate of the financial capacity of India.

The Honourable Sir Jeremy Raisman: I shall come to that but my Honourable friend seemed to think that I was guilty of some abominable crime because the expenditure on air fields in the year when the enemy was at our gates and sitting on our frontiers was enormously greater than it was before the Japanese even entered the war. Of course, I cannot cope with that kind of argument. It is not unfortunately open to me to determine the course of action of General Tojo or even Herr Hitler. I can only deal with the situation which arises in this country and in direct relation to this country and all I can say is that in the course of the 12 months with which I had to deal in my Budget speech definite factors were operative which I have explained and which caused India's share of defence expenditure to rise.

Now, several Honourable Members, I need not particularise Mr. Neogy, hinted darkly at some kind of juggling or sleight of hand whereby the share of India is somehow made to be greater than it really is. They talked as if they were unaware of the rise of prices which has unfortunately taken place in the last year. They talked as if they were unaware that during that period the strength of the forces in India had increased, as though they did not see the various developments of defence that were going on around them.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

And, mark you, many of these critics in the days when India was inadequately defended were prepared to castigate the Government of India and His Majesty's Government for their lack of foresight and for their failure to provide this country with adequate air forces and adequate defence forces of all kinds. At the time when they feared that India would be overrun by the enemy, their criticisms were entirely of that kind. Now that India is, I am glad to say, fully and adequately defended.

Mr. T. T. Krishnamachari: What about Major Fielding?

The Honourable Sir Jeremy Raisman: I do not know anything about Major Fielding or Henry Fielding; I have not read 'Tom Jones' recently. As I was saying, now that India is fully and adequately defended, they turn round and raise their eye-brows and say: Whence comes all this expenditure on the so-called defence of India? As I said, Thank God, this country is now defended and I have no hesitation in saying that the money debited to India is money incurred for the defence of India. Not only that, but the charges with which India is debited are not the full cost of the defence of India, not even of the local defence of India. The position is that India bears no part of the cost of operations beyond her frontiers. She also does not bear the full cost of the defence of India herself.

Mr. Lalchand Navai Rai (Sind: Non-Muhammadan Rural): What is the frontier?

The Honourable Sir Jeremy Raisman: A frontier is the line between two countries.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): Geographical definition.

The Honourable Sir Jeremy Raisman: Now, Sir, I was saying that in accordance with the financial settlement, India bears the cost of certain forces raised in India, which are maintained in India and which are available for the local defence of India. She also bears the cost of equipping them with such resources as she herself provides. But I have no doubt that Honourable Members realise that the man with a khaki uniform and a rifle and small arms and ammunition or even with a machine-gun is not in himself an adequate unit in modern warfare. There are tanks, there are planes and there are heavy guns. Now, the armies in India, the armies available for the defence of India, the armies inside India's frontiers, are equipped with all the heavy equipment and with all the paraphernalia of modern war. But India has not paid for that equipment because it is not produced in India. It is true that in so far as that equipment is drawn from the United States of America, in so far as it is provided by the process of lend-lease, India is now affording reciprocal aid which may legitimately be regarded as a form of payment for the assistance which she receives from America. But in so far as that equipment is drawn from Britain, it is not compensated for by any form of reciprocal aid.

Now, Sir, there were several misunderstandings which were voiced in the course of the debate in regard to defence expenditure. It is true and it is obvious that defence expenditure has increased. But the reasons for it are not far to seek. It is not due to the fact, for instance, that troops serving in Arakan or troops employed in the offensive war are being charged to India. The cost of all troops serving in Burma is borne by His Majesty's Government.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Whether Indians or others?

The Honourable Sir Jeremy Raisman: Yes. This includes, of course, those troops whose local headquarters have been transferred to the Burma theatre. It does not refer to sporadic incursions of small detachments whose headquarters remain within India's geographical limits, but the main forces engaged in Burma are not charged to India. They are charged to His Majesty's Government or, if they are American forces, their costs are borne by the United States of America.

Now, another question that was asked was: Why should India have to pay for British troops employed in India for local defence purposes while Indian troops, the cost of which is substantially lower than that of British troops, are employed in overseas theatres? That question reveals another misunderstanding of the present position and the policy in regard to the employment of troops. The distribution of the total forces available to the United Nations between the various theatres of war is governed entirely by operational needs and the availability of shipping. The desirability, from various points of view, of bringing back to India the Indian troops at present serving in overseas theatres is fully realised and constantly borne in mind, but, as I have already stated,

Mr. T. S. Avinashilingam Chettiar: Do you want our assistance?

The Honourable Sir Jeremy Raisman: The suggestion seems to be that since the Government is not what my Honourable friend calls a national Government, therefore, there may even be some virtue in failing to pay your tax. Well, of course, it is a marvellous country now for people who can adopt that kind of politics. On the one hand you make large fortunes out of the war and on the other hand it is ethically a good deed to see that you do not pay taxes to a Satanic Government.

Mr. T. S. Avinashilingam Chettiar: If you want our help we will give you, but on our own terms.

The Honourable Sir Jeremy Raisman: Now, Sir, I had something to say to my Honourable friend, Mr. Joshi. I think he was less than kind. The list of duties which he expected me to perform and the number of matters in respect of which I had been guilty of dereliction of duty was so formidable that I shudder to contemplate them; and if I have to read the record of this debate and read Mr. Joshi's speech I doubt whether I shall be able to sleep again for quite a long time. Mr. Joshi seems to think that the department of Government which has to pay for the war activities is the department which is guilty of inflation. Mr. Joshi's idea is that the interests which he represents should be called upon to make no particular sacrifice, but nevertheless the economy of the country should be preserved in complete stability; that nothing should happen as a result of the war which should call for any less consumption or any form of sacrifice on his part or on the part of his friends. It is exactly that attitude which leads to inflation. It is the determination to protect the interests of one particular section of the community instead of thinking in terms of the whole,—it is precisely that attitude which leads to inflation, and it is precisely that which makes it impossible to mobilise the whole country to resist inflation. It is that spirit of bargaining, it is the same thing which inspires the producer of food to say, "You do what you like about controlling inflation but hands off the price of wheat or the price of any other commodity which I produce. I am all in favour of your controlling inflation but please do not touch the things which I myself have to sell because it is my turn to have a good time now". So, my Honourable friend, Mr. Joshi, quite rightly from his own point of view in representing his particular labourers, says that wages, if anything, have not risen sufficiently, that we must not in any circumstances do anything about this but should tackle inflation elsewhere or else be guilty of causing inflation.

Mr. N. M. Joshi. The wages have not risen.

The Honourable Sir Jeremy Raisman: They never rise. The trouble is that inflation is what happens when nobody takes any positive action to counteract the effects of war. My Honourable friend, Mr. Joshi, seems to think that inflation is a positive and deliberate act. Inflation is merely the consequence of doing nothing when you ought to be doing a great deal; and in order that you should do that great deal it is a matter of all hands to the pumps. If Mr. Joshi thinks that he or any particular interest can merely sit back and hope that the water will be baled out by the efforts of others he is mistaken.

Now, Sir, one of the main criticisms of the budget has been that it does not provide for an increase in the indigenous production of consumers goods. I said in this House in a previous Session that undoubtedly if you could greatly increase the domestic production of consumers goods that would be a very valuable counter-measure to inflation. I am fully conscious of that; the Government of India fully recognise it. But now let us consider the precise situation in which we find ourselves. At the present moment the inflationary tendencies are such that they require immediate and vigorous counter-action. There is a shortage of consumers goods in relation to the amount of purchasing power abroad. That is one description of inflation. Now, certain interests say, "Oh no, for Heaven's sake do not import consumers goods". I think my Honourable friend, Mr. Abdul Qaiyum, said, "For God's sake do not let us have

imported consumers goods". It appears that what they expect is to preserve a vacuum until you could organise the production of these consumers goods in the country. But surely we have to take into account the actual state of affairs in the world at the present moment. After all, Britain is fully engaged on the manufacture of the munitions of war. The United States of America is to a large extent similarly engaged. Even if you could divert production capacity in those countries in order to produce the plant which you require, you then have to ship the machinery to this country. When you have shipped it to this country you have to assemble it, and when you have assembled it you have to get a certain amount of experience of its working before you can get into full production. Will that, I ask, desirable as it may be, contribute to the solution of our immediate difficulties? I entirely agree that as soon as it is possible to import machinery and plant for the production of the goods this country requires it certainly should be done. I am entirely in favour of all efforts being made now to import such capital goods, but must we wait entirely on the success of those efforts or shall we in the meantime endeavour to alleviate what is after all a very distressing situation? That is the point.

Mr. R. R. Gupta (Cities of the United Provinces: Non-Muhammadan Urban): The war is on for the last four years and this machinery could very well be imported before.

The Honourable Sir Jeremy Raisman: A few things happened in the last four years. For instance, in 1940 when the war took such a turn that the men standing in England did not have a rifle in their hands. At that time it was hardly possible to register Mr. Gupta's orders for textile machinery for Cawnpore.

Mr. R. R. Gupta: Now they are available.

The Honourable Sir Jeremy Raisman: There were one or two trifling matters which took a certain priority in the earlier stages of the war. It is all very well now to sit back and feel that victory for the United Nations is almost assured and ask why we have not all this time been thinking of the things that will promote the expansion of Indian industry.

Mr. Abdur Rasheed Choudhury (Assam: Muhammadan): Why was not this done before the war?

The Honourable Sir Jeremy Raisman: Why was it not done a hundred years ago? I do not know. I am afraid I have had quite enough to do during my lifetime and during my own quinquennium; I would rather not be carried back to my ante-natal delinquencies.

My Honourable friend, Mr. Krishnamachari, had several things to say, as he usually does, by way of criticism. He accused me of presenting only a part of the picture, of not giving the whole picture. That, I think, was in relation to defence expenditure which I have left for the moment, but I cannot refrain from mentioning it since that was his accusation. He said that I did not give the whole picture. I must compliment him on his own skill in that particular art because, in referring to the Public Accounts Committee, he quoted a sentence which ran as follows:

"We ourselves have, of course, not examined any individual cases of allocation and cannot therefore certify, nor indeed be expected to certify, that the allocations made during the course of the year are correct."

And then very dramatically he pointed out that this Report included my own signature. But he did not give the rest of the picture, as he would call it, because this is the next sentence:

"But we have again carefully reviewed the procedure prescribed for determining the classification of new measures together with the methods which have been evolved of applying the principles of the financial settlement in the actual allocation of expenditure which have already our approval and we have no suggestions for improvement."

In the gentle art of not giving the whole picture, I must say that I hand it to my Honourable friend, Mr. Krishnamachari. But his grievance now for some months has been about the sale of gold. In a previous Session, he talked about inflation, and it was at the time when he entertained more vivid apprehensions and fears on the subjects than he seems to entertain today. At that time

LEGISLATIVE ASSEMBLY

[7TH MAR. 1944]

[Mr. Jeremy Raisman.]

its feasibility is governed by the exigencies of the war situation as a whole. There is certainly no deliberate policy of the kind which is hinted at in the question.

Now, another question that has been asked is whether the provision on account of air fields in the Budget for 1944-45 includes only those necessary for the defence of India or other air-fields also which are constructed for the use of British and American forces in India? The air fields referred to in paragraph 36 of the Budget speech comprise those necessary to enable the Indian forces included within the air force ceiling to perform their function of the local defence of India. There are also certain air-fields provided on reciprocal aid terms for the American forces in India and those are referred to in paragraph 37 (a) of the Budget speech. But the additional air fields constructed in India in connection with the major operations contemplated by the South East Asia Command and which are used by the British forces are not provided for in the Indian estimates. In other words, it is not the case that all air fields constructed in India are charged to India. It is only the air fields constructed in India which are regarded as necessary for the operations of the air forces required for the local defence of India for which India has to pay. And that brings me again to the question of ceilings on which a good deal was said. It is always easy to import suggestions of bad faith into matters of this kind. I have stated to this House in plain and simple words what is the position in regard to those ceilings. His Excellency the Commander-in-Chief certified some time ago what forces were necessary. In fact, His Excellency the present Viceroy, when he was Commander-in-Chief, definitely determined what could be regarded as the forces adequate and necessary for the local defence of India. That was determined before the ceilings were actually exceeded. His Excellency the present Commander-in-Chief has carefully reviewed those ceilings and has stated what in his considered judgment are the forces required for the local defence of India, and the forces that have exceeded those ceilings will be charged to His Majesty's Government.

Now, Sir, apart from any question of the integrity of the authorities concerned, is it really fair or does it carry conviction to suggest that purely financial considerations underlie the determination of strengths of that kind? All I can say is that I personally have nothing whatsoever to do with them, and that they are made entirely on the military merits of the case, that the financial effect of those determinations is to be worked out by me and by my Department purely as a consequential matter. I repudiate strongly any suggestion that there is any possibility either of bad faith or elastic conscience in regard to that matter.

Mr. T. T. Krishnamachari: Not when you are a free agent.

The Honourable Sir Jeremy Raisman: A man's conscience is not affected by whether he is a free agent or not. Nobody can bring pressure on a man which will make him tell a lie.

Mr. T. T. Krishnamachari: It is the question of the conception of a man's duty.

The Honourable Sir Jeremy Raisman: And the conception in this case is a high one.

Now, Sir, I would leave the question of defence expenditure because there is really nothing more that I can usefully say on the subject. It is true that the Budget does not contain details. No country's Budget contains nowadays details of the kind which my Honourable friend, Mr. Neogy, would seem to expect to appear in the Indian Budget. If anything, we give far more information here than is given in any other country at the time of the annual estimates.

I proceed now to the next main topic which has been discussed throughout this debate and that is the question of inflation. There is a good deal of talk as to who is responsible for inflation. My Honourable friend, Mr. Joshi, tells me that I do not recognise the consequences of inflation. I must tell my

Honourable friend, Mr. Joshi, that he does not recognise of what inflation is the consequence and that he himself belongs to the class whose attitude assists the emergence of inflation. Critics on the other side have said that the Government of India are responsible for inflation. Presumably they mean that the Government went on with the war effort regardless of the fact that various people tried to stop them. Now, we know that there were people who actually went about the country and tried to persuade the people to withhold their co-operation from the war. There were, I regret to say, deliberate attempts to destroy confidence in the currency, there were exhortations to the people to refrain from providing supplies and so on. Now, Sir, the economic effects of these things undoubtedly contributed to inflation. The Honourable Member, Mr. Abdul Qaiyum, says that you cannot dissociate the economic problem of inflation from the political aspect. Well, Sir, I will accept that, but then what is the position? Here we have a ship performing a voyage in a stormy sea. Certain persons on the ship at the time when it is battling with the storm certain persons begin to question whether the ship should pursue its course or not. They even go to the extent of attacking or obstructing the crew, to say nothing of letting water into the bilges. If a certain number of people get drowned as a result, who is responsible? The captain and the crew who endeavour to hold their course or those who endeavour to deflect them? As my Honourable friend, Sardar Mangal Singh, says we are arguing from different premises. We here must argue from the premise that India had to remain in the war, and that the Government of India had to prosecute the war. That was our side of the case. My Honourable friend may have thought that if he and his friends could dissuade the people from co-operating in the war, and if certain dreadful consequences were likely to follow, my Honourable friends might think that the answer should have been that the Government of India should have desisted from any attempts to continue its effective participation in the war. Well, Sir, we must leave it to history to judge who was right. I am talking at this moment of the way in which the political situation impinged on the economic. My own desire, as far as possible, is to deal with economic matters, but when political factors are imported into the argument, I am bound to take cognisance of them. Now, Sir, it is suggested that only a national Government could possibly deal with inflation. I am not sure that that is historically correct. At the present moment, for instance, in China, you have what would be regarded as a national Government. But China is suffering from a worse degree of inflation than India. At the present moment in Egypt you have a national Government, but Egypt is also suffering from inflation. At the present moment, in Turkey—and this is interesting because Turkey is not a belligerent country—you have a national Government; but Turkey is suffering from the effects of inflation.

Sri K. B. Jinaraja Hegde: What about Great Britain and America? Is there inflation there?

The Honourable Sir Jeremy Raisman: I will deal with that shortly. The question whether a country exposed to the effects of war suffers from inflation or not is not, in my opinion, directly related to the question whether it has a certain political constitution or not. At the same time, Sir, I am bound to agree that to deal successfully with inflation requires the co-operation of the people. I certainly agree on that point. But then, is it those who dissuade people from co-operating in measures for their own economic safety who are to blame or those who try to promote measures for the economic safety of the people of the country? There was a good deal of talk about black markets. My Honourable friend, Mr. Avinashilingam Chettiar, whom I am very glad to see in the House, again, told me about the money that never found its way into any accounts and which defied the efforts of the Income-tax department. I am fully aware of this, but what I would like to know is to what extent do Mr. Chettiar and his friends assist in mobilising public opinion against that type of thing? To what extent do they help in bringing to notice or stopping that kind of pernicious activity? As far as I can see, it seems to be regarded as a form of patriotism.

[Sir Jeremy Raisman.]

he seemed to me to make a very sensible appeal that a matter of this importance to the country should be dealt with in a non-partisan spirit and that there was a danger which menaced the country and which everybody could be expected to assist in countering. Well, Sir, at that time one of the things which everybody was asking for was that bullion should be imported. It was considered that that measure would have many beneficial consequences. It would not only mop up surplus purchasing power, it would assist in persuading the farmer to part with his surplus produce, it would counter-act other forms of hoarding, it would provide a useful store of value, and so on. It was recognized by the Government of India that there was a great deal of force in that argument, and the Government of India made strenuous efforts to obtain assistance in this direction. For some time gold has been sold as is well known, and I am bound to say that the effects have been extremely beneficial and that I rank the sale of gold as an important anti-inflationary measure. But now Mr. Krishnamachari has got another grievance. Instead of using all our influence in order to secure the approval of Britain and America to sell gold, we should apparently have done something else. We should also have insisted on making a profit for ourselves in the matter. I may say that such a profit must inevitably have taken the form of a further addition to the sterling balances about which we hear so much and which many of the critics seem to regard as almost in the nature of a burden. However, what is the position? Where is the profit? His Majesty's Government and the American Government have to purchase certain supplies and services in this country. Now, we all know that the price of those goods and services in terms of rupees has risen; it has risen very considerably. That, of course, is one of our troubles. The object of their selling the gold is to obtain rupees with which to meet a part at least of the cost in rupees of those goods and services. The price at which gold is sold is actually at a lower index in relation to the pre-war price than most of the other things which are for sale in India, so that on the whole transaction no country would be particularly anxious to come to India and buy goods and sell gold in order to finance those purchases. That would be poor business and you would not get any country to do it unless for other reasons you could persuade them that it should be done. It is not in itself good business, nor would it yield a profit. There is no profit on the whole of these transactions taken together and certainly personally I would have no desire to accept the implications of all that the transactions involve, that is to say, to acquire the goods myself at my own liability, and to sell the gold at the figure at which it now stands.

Mr. T. T. Krishnamachari: Or bring it down.

The Honourable Sir Jeremy Raisman: Well, that is a different argument. But my point is that actually gold at the present moment is one of the cheaper commodities in India. The farmer who turns wheat into gold gets more gold at the present moment than he could have got to my knowledge at any time in the last twenty years. Conversely, the person who provides gold in order to buy wheat, gets less wheat for his gold today than he would have done at any time in the same period, so that it is not actually a highly lucrative form of operation.

Dr. Sir Zia Uddin Ahmad: It is not a good form, but did the Honourable Member attempt to fix the ceiling price of gold and silver?

The Honourable Sir Jeremy Raisman: We are talking now about the question of profit. I do not think that the price at which gold is sold today has any significance whatsoever in terms of normality or in terms of more permanent parities. I regard gold merely as a commodity, but in so far as the importation and sale of gold in India goes, it has undoubtedly had certain beneficial effects and I welcome it. You have to take the psychology of the people as you find it. There are certain kinds of people—they may be black-marketeers, hoarders or profiteers—who either will keep currency notes with them or will hold gold. They may not be tempted by any form of investment, they may not even be prepared to have a banking account. Nevertheless, the possession of currency

in the hands of these people is a dangerous element. It is free purchasing power which may be and is at any time brought to bear on the economy and which has ill effects. If these people prefer to acquire gold instead of putting their money in a bank or invest it in securities, then I have to take their psychology into account just as one would take the geology or the geography of the country into account.

Mr. T. T. Krishnamachari: Is that your answer? Nobody questions that?

The Honourable Sir Jeremy Raisman: No. I have dealt with the other point.

Well, Sir, I must come now to a question which was raised by my Honourable friend, Sir Henry Richardson, as well as other speakers, and that is the assistance given to Bengal. Sir, I have the deepest sympathy for Bengal in its present plight and I have always felt that some financial assistance from the Central Government would be inevitable and would be desirable and necessary in order to assist Bengal to extricate herself from the calamitous difficulties into which she has fallen.

Nowabzada Muhammad Liaquat Ali Khan: Due to the war.

The Honourable Sir Jeremy Raisman: Due to the war, yes. Bengal more than any other Province has suffered from the disadvantages of war just as the Centre has, and for that reason in view of my own financial difficulties, I can appreciate that the Bengal Government are faced with problems of a peculiarly difficult kind. At the same time we should not exaggerate the extent of the harm which so far has been done to the finances of the Province. There was a quotation of a remark made in the Bengal Assembly which seemed to suggest that somebody took a very gloomy view indeed of those finances. It is true that Bengal at the moment is passing through a very bad time. But Bengal's permanent financial position is not as desperate as has been suggested. I have before me certain figures in regard to the budget for the current year and for the next year. At one stage the estimated deficits were Rs. 11,20,00,000 in the revised estimates for this year and Rs. 8,46,00,000 in the budget of the next year. Well, since then there have been certain additions to their revenue. They are likely to get more by way of income-tax from the Centre, from the distributable pool than they estimated at that time—Rs. 110 lakhs in each year and we have also decided to assist them to the extent I have indicated in my budget speech.

Dr. P. N. Banerjee: Have they not been compelled to levy extra taxation?

The Honourable Sir Jeremy Raisman: Certainly. So have I. I have no sympathy for any Finance Minister who will not face up to his obligation and levy taxation when he faces deficits. I have to undergo that unpleasant duty, and I do not see why anybody else should be let off.

Dr. P. N. Banerjee: But the conditions in Bengal are very bad.

The Honourable Sir Jeremy Raisman: The Central Government share one attribute of the deity—they help those who help themselves.

We now estimate that the deficits in the current and next year will be more likely about Rs. 7½ crores and Rs. 4½ crores or a total deficit of less than Rs. 12 crores, and, as I have said, the amounts indicated in my budget speech by no means indicate the full share of Central assistance to Bengal. In addition we have provided for outright grants totalling Rs. 4½ crores in the current year and Rs. 3½ crores in the budget year by way of Central assistance, on account of civil defence and camouflage, additional police necessitated by war conditions, civic guards, additional staff for civil duties, grant to the Red Cross for tinned milk and grants for the "Grow More Food" campaign. All these grants from the Centre to Bengal have to be taken into account. We must remember, after all, that a certain balance has to be maintained between the finances of the Centre and of the provinces and we must have regard to maintaining a sense of financial responsibility in all the units. If the Centre is to relieve Provinces from time to time of their responsibility, there is a danger of under-mining the whole financial responsibility of the Provinces. Province A would naturally say, 'Well, if we get into difficulties, we can always expect the Centre to help us out, as they did when Province B was in difficulties'.

Dr. P. N. Banerjee: This is an extreme case.

[Mr. Muhammad Azhar Ali.]

people are being cared for and what is happening today? There is not a single item, as my friend, Maulana Zafar Ali Khan, has said, either of foodstuff or any kind of ordinary luxury that has not been taxed. What remains to tax? There is nothing absolutely left.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): Death.

Mr. Muhammad Azhar Ali: My friend says death tax. I do not know whether there will be a decent burial to that Bill or an indecent one!

Sir, in this war budget you claim to have all kinds of privileges pertaining to tax on the poor man. What is the result? The result is, as I shall show by an example. There was a friend who sent his servant to one of the villages to buy some ghee for him. Ghee may not be a very important article of food with our European friends, but it is so with the Indian and the rich people enjoy more of ghee than the poorer people. When the servant went to the village he found a number of villagers sitting in the place and he said that he wanted to purchase ghee. Those villagers then said, "Well, the price of ghee has now gone up to 6 chtk. to the rupee, whereas the pre-war price, and even at the beginning of the war, was 14 to 16 chtk. for the rupee. You have come to buy ghee. We will give you at the rate of 6 chtk. to the rupee. Give us the money and we will give you the ghee". And they further said: "Will you go and tell your master what this Government has done to us? It has taxed our *hookah* and *pani*". Government has left to us nothing else but *langoti*, that is, the loin cloth. This is what the villagers of India think to-day. I warn the Honourable the Finance Member to take note of this. You may say that the villager is making money like anything because of the rise in prices of rice and wheat. This plea does not hold now. It is too late, we have heard too much of it. Do you know what is the function of the district officers in the British Indian districts? It is only to realise revenue, to assess taxes, to realise loans from village to village, to realise all kinds of cesses, and all kinds of taxes. Formerly, Indians thought that the duty of the district officer was to protect the people, but now the villager thinks, and every one in the village as well as in the city, that the duty of the district officer is nothing but to loot and to rob the people. The district officer does not care what happens to the villages at all and he is this Government's chief agent. When you tax the people through your agents to the extent that it is impossible for them to pay their dues, is it possible for you to keep them satisfied, to keep them peaceful, and to keep them calm in their villages? They talk about it. I warn the Government that the villagers know what you do. They know from your own actions, which are broadcasted through your own instruments,—the villagers know what you are doing to-day. They know that you are taxing every possible commodity which they use in their daily life. Through many phones, through your radios, they know what you are doing. They know that you have taxed tea, that you have taxed coffee—I do not say that the villagers take coffee, but the Government have taxed their ordinary necessity, their tobacco. Among Indians, especially in villages where there are *bradaris*, where there is a common brotherhood, what they do is that when a man is punished for any sin of omission or commission, his *hukka* and *pani* is stopped. What they say is, the Government have taxed our *hukka*, have taxed our *pani*. You charge canal dues, heavy charges. They say, the rivers are flowing and you could take water wherever you wanted, but to-day the Government have taxed even the water and they ask, for what sin? You may be all right, I may be all right in my home, but the fact remains that your taxes have become so unpalatable to the villager that they talk about them day and night. They know that this rise in prices of rice and wheat is due to the war. They know that you have done nothing for the cultivator. They know that it was only on account of this war that the prices rose—God forbid another war,—and it was not on account of any other necessity of the Government of India or His Majesty's Government and that will end with war. These are bitter truths, and I hope that Government will beware of them. There have been deaths, distress,

deportations, there has been every kind of curse that one can imagine, over this country. We have the example of Bengal, and God knows what will happen to us in the coming year or the next year.

There must be some causes for all these distresses, these devastations, these deaths, and the causes are not far to seek. It is the poverty and helplessness of the people of India. They cannot get quinine, they cannot get medicines, they cannot reach hospitals so easily. You have stopped railways in different parts of the country. If people were sick or in distress or in trouble, they would at once run to a city or to a place where there was a hospital. Unfortunately, you have not got hospitals in every village or even in small towns. In those conditions, do you think that the villagers will bless this present Government and say that they are quite happy under this Government? No, certainly not. You must think of this, and think twice as to how these villagers and the country people feel under the present conditions. This will not create confidence in the people. Taxation is an ordinary thing for you. But it goes very deep and is regarded by the Indian people as no blessing of yours. They feel that in their own country they cannot live a happy life, which they formerly did notwithstanding marauders and robbers. You can say there is law and order. But one cannot live merely on law and order, when one cannot get even two square meals a day. When we talk of sterling balances, when we talk of the rupee being linked to sterling or when we talk of dollars, these are matters of very high finance, we can discuss them in this House. But how does the poor man realise your sterling balances and your dollar pools? Those who have got money, those who have got gold or silver in their hands and deal in these things—they realise this, but the poor man deals in ordinary grains and the vegetables that he produces. He thinks of the prices of those grains and those vegetables, and though the prices have gone up, it is not possible for every one to take advantage of the rise in prices. It was once asked, why all this trouble about rice in Bengal? It came very suddenly, according to some, and according to some others, it came by and by. There was a time when you put a tariff wall for wheat, but you did not put a tariff wall for the rice which was being imported from outside. If this had been done, this trouble might not have come to Bengal, but unfortunately it came. Now, Sir, you can picture to yourself the condition in the country as I have described it and if you don't go to the villages yourself and ascertain the views of the villagers

4 P.M. you will be making a very great and serious mistake. You say that you are making plans to make the agriculturist happy. That is all moonshine. Plans you may make but it is the present that we are concerned with. You have to look to the conditions that prevail now and to the conditions which are likely to prevail in the near future. If you plan for five years and ten years and if you are going to spend hundreds of crores in future it is not going to help the country at present. I warn the Government that they must look to the present and help the poor. You were not prepared for this war and this is not the time to make plans. This is the time to give relief to the poor. You have raised the taxable minimum to Rs. 2,000. Whom will it help? It will not help many people. It will help Government servants and it may help some other people. It is not a point to be proud of. I cannot congratulate the Government of India on raising the taxable limit to Rs. 2,000. I would have congratulated the Government if they had done something to help the villager and those who need help.

I have done with the agriculturist and I will now turn to the industrialist.

Mr. Deputy President (Mr. Akhil Chandra Datta): You have got one minute more.

Mr. Muhammad Azhar Ali: May I appeal to the European Group and say this. Is the industrialist of India allowed to produce whatever he can and whatever is needed in the country? My reply is 'No'. The Government is bringing things from outside and they are not helping indigenous production.

Mr. Deputy President (Mr. Akhil Chandra Datta): Your time is up.

Mr. Muhammad Azhar Ali: Government is not helping indigenous production but is importing things from outside. This thing should not be done now.

LEGISLATIVE ASSEMBLY

Monday, 13th March 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN :

Sir Charles MacIvor Grant Ogilvie, C.S.I., C.B.E., M.L.A. (Secretary, Defence Department).

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS.

DETERIORATED ENGINES ON NORTH WESTERN RAILWAY.

337. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that most of the locomotives on the North Western Railway are not in good condition, and that the coal supplied contains a lot of dust?

(b) Is it a fact that on the Karachi Division of the North-Western Railway engine crew are generally punished for not keeping time or other failures or mishaps, due to causes mentioned in part (a) above? Does the Honourable Member propose to lay a statement on the table of the House on such punishments during the calendar years 1939 and 1943?

(c) Is it a fact that a large number of engines have run their guaranteed mileage, and that further running is likely to cause trouble?

(d) Is it also a fact that material and parts for repair of engines are not available in sheds and shops, owing to lack of imports during the war?

(e) What steps do Government propose to take to ensure that until better conditions in the matter of coal supply and repairs prevail on railways, the employees are spared punishments? If not, why not?

The Honourable Sir Edward Benthall: (a) No.

(b) 1st part—No; 2nd part—No.

(c) Engines are regularly completing the mileage for which their boilers have been certified; further running is not permitted unless, after examination, the boilers are certified as fit.

(d) Since the outbreak of War, difficulties have arisen in obtaining parts which have to be imported; deliveries of such parts are improving.

(e) Full allowance is made for the quality of coal and the state of repair of locomotives when the question of punishing staff is under consideration.

Mr. Lalchand Navalrai: May I know from the Honourable Member with regard to clause (a) if most of the locomotives are in good condition? If they are, may I know how many of them are in such a condition which do not require any repairs?

The Honourable Sir Edward Benthall: Obviously I should require notice of that question. Generally speaking they are in good condition.

Mr. Lalchand Navalrai: May I know from the Honourable Member how many locomotives have got headaches and how many of them have got stomach aches?

(No answer.)

Mr. President (The Honourable Sir Abdur Rahim): Next question.

ALL-INDIA RAILWAY ROUTINE INSTITUTE, DELHI.

338. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state if his attention has been drawn to the advertisement in press by the All-India Railway Routine Institute, Delhi?

(b) Is the Institute recognised by the Government or any Railway administration?

(c) Are the candidates who qualify from this Institute given Railway appointments? If so, on what Railways?

(d) Who pays the scholarship and railway fare to the candidates?

have succeeded in securing reductions in the programme of the Director General of Munitions Production, a total of Rs. 8 crores in the current year and possibly rising to Rs. 10 crores next year. Our object in achieving these reductions is as far as possible to offset the increased demands which the war situation involves, and to prevent the burden on the civilian consumer from being intensified. These lead to certain economies but they cannot be considerable. In terms of money they are not large in relation to the total war expenditure. I am not sure whether those who spoke of retrenchment thought that by concentrating our efforts on the civil side we could secure economies which could really have an effect on the situation. I am not sure if that was the object. If so, I cannot understand how such an idea could be entertained. It is impossible at the present time with the additional demands which are being made on Government for various forms of activity,—it is impossible to contemplate any considerable reduction in the staff at the disposal of the Central Government. On the contrary, if we could obtain more administrative and skilled personnel, we should only be too glad to employ them because the needs of the moment require them. As regards the suggestion that emoluments might be reduced in any way—that seems to me, I must admit, to be extraordinary, having regard to the fact that the developments of the last eighteen months have probably thrown a much heavier burden on the fixed income classes than on any other class of the population—and Government servants including myself come within the fixed income classes and we are in a very good position to know how heavily the tendencies of the last year or so have borne on fixed incomes.

An Honourable Member: Very poor with your Rs. 7,000 a month!

The Honourable Sir Jeremy Raisman: I cannot, therefore, understand how Sir Muhammad Yamin Khan hopes that by some kind of investigation into either the number or the emoluments of the officials of the Government he could secure such economies as would have any appreciable effect on the situation or make it less necessary to pursue the measures of taxation or borrowing, which are our own programme.

Well, Sir, I have wearied the House, and I must admit, myself. I have not attempted to cover all the points which have been made in connection with the budget. I have no doubt that in the course of the next two or three weeks a good deal more will be said on many of these topics, and I daresay that I have myself provided more fuel for the flames which will rage during that period. However, I thank the House for the reception which they have given to my proposals and for their hearing of all I had to say.

The Assembly then adjourned till Eleven of the Clock on Monday, the 18th March, 1944.

The Honourable Sir Edward Benthall: (a) Yes, by the Honourable Member. (b) Government have not recognised it, nor is it likely that any Railway has. (c) and (d). I have no information.

Mr. Lalchand Navarai: Is it a private concern?

The Honourable Sir Edward Benthall: I do not know anything about it. It is presumably so.

Mr. Lalchand Navarai: Is there any control of the railways upon it?

The Honourable Sir Edward Benthall: The railways have nothing to do with it.

Mr. Muhammad Nauman: Why have the people got the impression that it has something to do with the railways?

The Honourable Sir Edward Benthall: The railways have nothing whatever to do with it. This is a private advertisement.

Mr. Muhammad Nauman: Will the Honourable Member note that a wrong impression is being created in the country?

The Honourable Sir Edward Benthall: This is to my mind a flat-catching advertisement and it appears to have caught some flats!

RAILWAY ADVISORY COMMITTEE FOR JODHPUR RAILWAY.

339. ***Mr. Lalchand Navarai:** (a) Will the Honourable Member for Railways be pleased to state whether a Railway Advisory Committee exists on the Jodhpur Railway? If not, why not?

(b) Is it proposed to have such an Advisory Committee for at least the British portion of the Jodhpur Railway? If not, why not?

The Honourable Sir Edward Benthall: (a) and (b). No local Advisory Committee exists, and the Administration do not consider there is justification for such a Committee for the Railway as a whole or for the small British-owned Section.

Mr. Lalchand Navarai: Reference the British portion of this railway, are there no grievances of those people to be brought before the Committee by the public or by the staff?

The Honourable Sir Edward Benthall: There are other channels by which grievances can be brought.

Mr. Lalchand Navarai: Then, where can they lodge their complaints?

The Honourable Sir Edward Benthall: To the management.

Mr. Lalchand Navarai: To the management alone or assisted by another Committee?

The Honourable Sir Edward Benthall: No, to the management alone.

(Mr. Lalchand Navarai again asked the same question.)

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is arguing. Next question.

UNFILLED QUOTA FOR GAZETTED MUSLIM OFFICERS IN KARACHI DIVISION, NORTH WESTERN RAILWAY.

340. ***Beth Yusuf Abdooli Haroon:** (a) Will the Honourable Member for Railways please state if it is a fact that quota fixed for Gazetted Muslim officers was a minimum of 25 per cent., and that statistics for the years 1934 to 1943 show that only 6 per cent. Muslims have been taken in so far? If so, what are the reasons for not keeping up this percentage and what measures do Government propose to adopt to fill up the gap?

(b) How many Muslim Assistant and Divisional Personnel Officers have been posted to the Karachi Division from 1932 to 1943? If none, why was no Muslim officer posted to safeguard Muslim interests in view of the fact that Muslims were in a minority?

(c) Is it a fact that in the recent selection for two posts of Grade III Depot Clerks, Food Section, Karachi Division, no Muslim was taken, and that both the posts went to Hindus, one to a most junior officiating office Clerk in Grade

II and the other to a night-vision-failed retired Assistant Station Master working as Goods Clerk in Grade I? If so, what special qualifications were observed in the Selection Board, in view of the fact that in the Office Circular no special conditions regarding the tenure of service or any qualifications were specified?

(d) What was the number of Muslims taken in the selection of T-five, T-seven, A.T.I.s., Rates Clerks and Food Section on Karachi Division? If the Muslims in the abovementioned cadres are already in minority, why was no special consideration given to those who were available in the selection?

(e) Is it a fact that from Sub-Head right up to D. P. O., there is no Muslim but all Hindus in the Establishment Branch of the office of the Divisional Superintendent, Karachi? If so, what measures are proposed to be adopted to provide Muslims?

The Honourable Sir Edward Benthall: (a) The reply to the first part is in the affirmative, as far as recruitment goes. As regards the second part, the Honourable Member is presumably referring to the composition of the service. As regards the third part, Muslims have actually obtained 23 per cent. of the recruitment made in India in the period 1934-35 to 1942-43, the deficiency of two per cent. being due only to the lack of duly qualified Muslim candidates, particularly in certain technical branches. As regards the fourth part, Government consider no special measures are necessary.

(b) There were two Muslim Assistant Personnel Officers for short periods and a Muslim Divisional Personnel Officer for about 3½ years. The second part does not arise.

(c) Yes, but the claims of no volunteers were ignored. The qualifications required were specified in the Circular which was sent out calling for volunteers and the Selection Board, on which there was a Muslim officer, unanimously considered that the persons who were appointed were the most suitable.

(d) In the last selection made in the Karachi Division one, five, one, one and Nil Muslims, respectively, were selected in the categories referred to. Such selections are not made on communal grounds, nor do Government consider that it would be just to do so.

(e) The reply to the first part is in the affirmative. As regards the second part, the Railway is aware of Government's policy in the matter and will take action when a suitable opportunity occurs.

LOCOMOTIVES AND WAGONS SENT ABROAD.

341. ***Sir Abdul Halim Ghaznavi:** (a) Will the Honourable the Railway Member please state the number of locomotives and wagons, both broad and meter gauge, sent abroad either to the Middle East or to other areas, since the outbreak of the war?

(b) How many of them have been returned?

(c) What is the amount of money received by the Government of India in lieu of the locomotives and wagons transferred abroad?

(d) What is the amount of money the Government of India spent in importing locomotives and wagons till now, since the outbreak of the war?

The Honourable Sir Edward Benthall: (a) B. G. Locomotives—Nil; M. G. Locomotives—206; B. G. Wagons—1,418; M. G. Wagons—7,858.

(b) M. G. Locomotives—24; M. G. Wagons—92.

Arrangements have been made for the return of a further 60 locomotives and 1,000 wagons.

(c) Provisional adjustments have been made but the question of final debts on this account is still under examination.

(d) It is regretted that figures are not readily available. No wagons have, however, been imported on Railway Department Account.

DISMANTLED RAILWAY MILEAGE.

342. *Sir Abdul Halim Ghurani: (a) Will the Honourable the Railway Member please state the total mileage of railways dismantled in India since the outbreak of the war till date?

(b) What is the total mileage of railways sent abroad either to the Middle East or elsewhere since the outbreak of the war?

(c) Has any money been recovered by the Government of India from His Majesty's Government for handing over these railways for export abroad? If so, how much credit did the Government of India obtain therefrom? What was the basis of fixing the value of these railways when transferred abroad? Does the price cover replacement cost of the railways which will most certainly be higher than the price recovered, in view of the present high prices?

The Honourable Sir Edward Benthall: (a) 958 track miles.

(b) 1,205 track miles. This consists of 591 track miles of rails released from dismantled lines and 614 track miles from railways' stocks and renewals.

(c) The reply to the first part is in the affirmative. With regard to the second part, credits obtained for the rails exported have been shown in the statements compiled of credits realised from time to time from His Majesty's Government for all the items under the head—Transportation Stores. The labour now involved in sorting the credits for the rails out of the various statements mentioned above would not be commensurate with the value of the results achieved. As regards the third part, the price of the rails dismantled has been charged according to a formula evolved on the principle that the Railway Department should neither make a profit nor suffer a loss on transactions of this nature, and based on the age and estimated life of the rails. With regard to the fourth part the dismantled branch lines will generally be relaid with second-hand rails released from relays on main lines and important branches, after the war. It is therefore difficult at this stage to estimate even approximately the price of these released rails or to compare it with the value of the rails dismantled.

COAL PRODUCTION AND EXPORT.

343. *Mr. H. A. Sathar H. Essak Sait: Will the Honourable Member for War Transport be pleased to state:

(a) the average yearly production of coal in India for the three pre-war years in all the coal mines and collieries;

(b) the total production last year;

(c) the average export of Indian coal from India during the three pre-war years; and

(d) the total export of Indian coal last year?

The Honourable Sir Edward Benthall: (a) The average of the 3 calendar years 1936—1938 was 25,830,000 tons.

(b) It is not in the public interest to publish the figures for 1943 at present.

(c) 858,873 tons. In this case the figures are those of the 3 financial years ending March 1939.

(d) For security reasons it is not desirable to publish the figures for the whole of the year at present, but I would refer the Honourable Member to my speech on the 26th February on his cut motion on the Railway Budget, in which figures of exports for a period of six months were given.

Mr. H. A. Sathar H. Essak Sait: With reference to part (b) may I draw the attention of the Honourable Member to a statement that appears in this morning's newspapers by Mr. Bhutt wherein he states that coal shortage is due to exports only, and because he does not give any figures, can the Honourable Member make a categorical statement in this House that exports are not really responsible for this shortage?

The Honourable Sir Edward Benthall: I can categorically say that they are not responsible. The responsibility for the shortage is due mainly to low-railings in recent months.

Maulana Zafar Ali Khan: Was coal exported to Ceylon which is outside India?

The Honourable Sir Edward Benthall: Yes, Sir. I have mentioned the figures in the speech referred to.

Mr. H. A. Sathar H. Essak Sait: With reference to part (d), do I understand the Honourable Member to say that it is not desirable to publish the figures for security reasons? May I point out that in the Railway Board's Report for 1942-43 the figures have been given for previous years, and where is the harm in publishing now?

The Honourable Sir Edward Benthall: That is so for the previous year, but it is not desirable to publish them for the current year just at present. They will be published in due course.

MUSLIMS IN METEOROLOGICAL DEPARTMENT.

344. *Maulvi Muhammad Abdul Ghani: Will the Secretary for Posts and Air be pleased to state:

(a) the total number of persons in permanent and temporary services as (i) Superintending Meteorologists, (ii) Meteorologists, (iii) Assistant Meteorologists, (iv) Meteorological Assistants, (v) Professional Assistants, (vi) Senior Observers, and (vii) Observers, and the number of Muslims serving under each head;

(b) the number of vacancies under each head as mentioned in (a), and the number of vacancies, if any, reserved for Muslims;

(c) the places where the persons referred to in part (a) (iii) to (vii) are trained;

(d) the designations of Instructors at every centre;

(e) the system of examination;

(f) whether the Instructors or persons other than Instructors examine the trainees under every item of services as mentioned in part (c) of the question;

(g) how many batches of Assistant Meteorologists have been trained at Poona, since its creation as a training centre;

(h) the minimum standard to be declared as passed; and

(i) the number of Assistant Meteorologists who have secured less than 40 marks in each of the both kinds of examinations, i.e., practical and theory and have been declared as passed?

Sir Gurnath Bewoor: (a) and (b). I lay on the table a statement giving the information required.

(c) Recruits to all cadres are trained at Poona; Senior Observers and Observers are trained at New Delhi also. From January 1944, a course in Forecasting has been opened for Assistant Meteorologists and Professional Assistants at the Karachi Meteorological Office.

(d) A statement is laid on the table.

(e) At the end of the course, all candidates undergo examinations, theoretical and practical, and, in addition, undergo a *viva voce* test. In addition, a careful watch is kept on the progress of each recruit throughout the course. Fortnightly reports on backward candidates are prepared and suitable action is taken to bring them up to standard.

(f) The written examination is conducted by the Officer-in-charge of the Training Section and the Instructors. The *viva voce* test of the Assistant Meteorologists, Professional Assistants and Meteorological Assistants is conducted by a committee of three officers including the Superintending Meteorologist, Poona, and the officer-in-charge of the Training Section. The *viva voce* test of the Senior Observers and Observers is conducted by the officers of the Training Section.

(g) Nine batches of Assistant Meteorologists have been trained at Poona since September, 1942.

(h) The minimum standard is 40 per cent. in the total marks, and in two out of the three branches, viz., theory, practical and general assessment.

(i) No candidate who secured less than 40 per cent. in both the theoretical and practical examinations has been declared passed.

Statement.

Parts (a) and (b).

Designation of posts.	Total number of persons in permanent and temporary service.	Number of Muslims.	Number of vacancies.	Number reserved for Muslims.
(i) Superintending Meteorologists	982	<i>Nil</i>	<i>Nil</i>	<i>Nil</i>
(ii) Meteorologists		1	5	
(iii) Assistant Meteorologists		15	15	3
(iv) Professional Assistants		1	85	11
(v) Meteorological Assistants		14	31	4
(vi) Senior Observers		33	129	16
(vii) Observers*		93	138	34

* Includes clerks.

Statement.

Part (d).

Poona.—Officer in Charge: one Meteorologist. Instructors: two Assistant Meteorologists, three Meteorological Assistants and one Assistant.

New Delhi.—Officer in Charge: one Meteorologist. Instructors: one Meteorological Assistant and one Senior Observer.

Karachi.—Officer in Charge: one Superintending Meteorologist. Instructors: one Meteorologist and six Assistant Meteorologists.

Mr. Muhammad Nauman: May I know why the Honourable Member could not give the total number? Is it very bulky? Since the answers regarding (a) and (b) are laid on the table the result is that we cannot make any cross questions. What is the total number?

Sir Gurnath Bewoor: If the Honourable President likes I will read the answers to (a) and (b).

Mr. President (The Honourable Sir Abdur Rahim): Is it a long statement?

Sir Gurnath Bewoor: There are seven headings against four cross-headings. If you like I will read it out.

Mr. President (The Honourable Sir Abdur Rahim): Provided it does not take too long.

Maulvi Muhammad Abdul Ghani: May I know the total strength under all the heads?

Sir Gurnath Bewoor: 982.

Maulvi Muhammad Abdul Ghani: What is the number of Muslims?

Sir Gurnath Bewoor: 157.

Mr. Muhammad Nauman: With reference to (e) I want to know the method of examination. You said that there are three tests—written, practical and viva voce. Are the results of the written and practical papers given to the members of the committee who ask the students their viva voce questions? What is the allotment of marks under these heads?

Sir Gurnath Bewoor: I think it is 100 in each subject. As regards the first part of the question, I have no information and would like to have notice of the question.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

MUSLIMS IN METEOROLOGICAL DEPARTMENT.

345. ***Maulvi Muhammad Abdul Ghani:** Will the Secretary for Posts and Air please state:

- whether it is a fact that recently twelve posts of Assistant Meteorologists were reserved for Muslims; if so, how many of them have been taken in;
- the number of Muslims who applied to the Federal Public Service Commission for posts mentioned in (a) above;
- whether it is a fact that the Department had raised the minimum qualification for appointment of Assistant Meteorologists when the time came for the recruitment of Muslims;

STARRED QUESTIONS AND ANSWERS

953

(d) if the reply to (c) be in the negative, the minimum qualification of persons already recruited as Assistant Meteorologists during the last three years;

(e) whether it is a fact that some ordinary B.A. with Mathematics and B.Sc., have been taken in as such during the last three years;

(f) the number of Professional Assistants and Meteorological Assistants promoted as Assistant Meteorologists during the last three years, and the minimum period after which such promotions were allowed; and

(g) the number of B.A. and B.Sc. passed who have been promoted as Assistant Meteorologists, together with the period in each case after which such promotion was allowed?

Sir Gurnath Bewoor: (a) Yes. Six Muslim candidates were recommended by the Federal Public Service Commission and have been offered appointments.

(b) 68.

(c) No. On the contrary the minimum qualifications have been lowered.

(d) B.Sc. or B.A., with first class Honours, in Mathematics, Physics or Physical Chemistry. An exception was, however, made in 1943 in the cases of two candidates belonging to minority communities who had only second class Honours degrees.

(e) No.

(f) Thirteen Professional Assistants and two Meteorological Assistants. The minimum period after which such promotions were made was 11 years.

(g) Ten, one after 24 years, two after 18 years, one after 17 years, one after 16 years and five after 15 years of service.

Mr. Lalchand Navalrai: May I know from the Honourable Member why this qualification was lowered? Was it to favour any particular community?

Sir Gurnath Bewoor: Yes, it was intended to favour the minority communities.

Mr. Lalchand Navalrai: May I know if it was done purposely?

Sir Gurnath Bewoor: Purposely, in order to get the members of the minorities communities into the service.

Mr. Lalchand Navalrai: Is it the policy of Government, therefore, to have only unqualified people

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member is arguing.

Mr. Lalchand Navalrai: when qualified people are available from other communities?

Mr. President (The Honourable Sir Abdur Rahim): Order, order. Next question.

Qazi Muhammad Ahmad Kazmi: Has any such concession been given to Sindhis?

Mr. Lalchand Navalrai: They do not require any. They are all qualified.

PROMOTION, ETC., OF TICKET CHECKING STAFF, OUDH AND TIRHUT RAILWAY.

346. ***Dr. Sir Zia Uddin Ahmad:** (a) Will the Honourable the Railway Member please state if it is a fact that the Financial Commissioner, Sir P. B. Rau, in reply to a deputation gave an assurance that at least fifteen per cent. of the ticket checking staff will be given an opportunity to higher promotion in neighbouring departments?

(b) Is it not a fact that this principle was accepted by the East Indian Railway, and that the Travelling Ticket Examiners and Crew were promoted to the posts of Guards and Station Masters?

(c) Will this principle of promotion be adopted by the Oudh and Tirhut Railway which has just been brought under State management?

(d) Has the Railway Board drawn attention of the Oudh and Tirhut Railway Administration that subordinate staff employed in ticket checking and other departments have been given the same status and salary as are given in other State Railways?

†Answer to this question laid on the table, the questioner being absent.

[18TH MAR. 1944]

Mr. K. C. Neogy: What is the difficulty in the way of manufacture of soft coke at the present moment?

The Honourable Sir Edward Benthall: I think the difficulty may be that prices for coal are so remunerative that it is not worth while collieries troubling to manufacture soft coke.

STEPS TAKEN TO INCREASE OUTPUT OF COAL, ETC.

352. *Pandit Lakshmi Kanta Maitra (on behalf of **Babu Baijnath Bajoria**): (a) Will the Honourable Member for War Transport be pleased to state what steps the Coal Commissioner has taken:

- (i) to increase the output of coal from collieries;
- (ii) to arrange for equitable distribution of coal to various industries;
- (iii) to accelerate the supply of wagons for transportation of coal, specially to industries manufacturing goods for civil consumption; and
- (iv) to stabilise prices of the various grades of coal?

(b) What have been the effects of the steps taken by the Coal Commissioner?

The Honourable Sir Edward Benthall: (a) and (b). The Coal Commissioner since assuming office two months ago, has been studying the present arrangements for the production and distribution of coal. He has visited a number of collieries, has taken steps to obtain more machinery for collieries and has prepared a scheme for food rationing in the Bengal and Bihar coalfields, which is now put into effect. He has discussed with the trade a scheme which involves the fixation of the prices of all grades of coal and is now about to take steps to fix prices in consultation with the trade and other interests. Certain further recommendations are now under the consideration of Government and it is too early yet to gauge the effects of the steps he has taken.

Pandit Lakshmi Kanta Maitra: Do I take it that steps have already been taken on these lines?

The Honourable Sir Edward Benthall: Steps are being taken on these lines. **Mr. K. C. Neogy:** Have the Government found it possible to define the extent of the powers of the Coal Commissioner?

The Honourable Sir Edward Benthall: No. It is being finalised at the moment.

Mr. K. C. Neogy: Then how is the Coal Commissioner in a position to carry out his duties?

The Honourable Sir Edward Benthall: He has certain general powers and the support of Government, but the precise powers are being finalised at the moment.

RESTRICTIONS IMPOSED ON COLLIERIES.

353. *Pandit Lakshmi Kanta Maitra (on behalf of **Babu Baijnath Bajoria**): (a) Is the Honourable Member for War Transport aware:

- (i) that restrictions have been imposed on several collieries suspending despatches to various industries;
 - (ii) that such restrictions have adversely affected the output of coal;
 - (iii) that numerous industries have closed down for want of coal; and
 - (iv) that continued supply of domestic coke in Calcutta is threatened?
- (b) What steps have Government taken to arrange for an adequate supply of coal to industries and domestic coke for civil consumption in Calcutta?
- (c) Have Government received complaints from any section of the trade on the above points, and what steps have Government taken to redress their grievances?

The Honourable Sir Edward Benthall: (a) (i) Yes.

(ii) No.

(iii) I would refer the Honourable Member to my reply to Mr. Neogy's question No. 351.

(iv) No.

(b) The provincial quota of coal and coke for domestic consumption and small industries in Bengal has recently been increased from 2,500 to 2,600 wagons a month.

(c) Yes, Sir. A complaint was recently received from Messrs. Universal Trading Company, Calcutta, about late payment for coal requisitioned for the railways. Action has been taken to authorise payment on account of such collieries.

FOOD INSPECTORS, ETC., APPOINTED IN KARACHI AND MULTAN DIVISIONS.

354. *Seth Yusuf Abdoola Haroon: Will the Honourable Member for Railways be pleased to state:

- (a) the number of Food Inspectors and Assistant Food Inspectors appointed in Karachi and Multan Divisions; and
- (b) the number of Muslims and Hindus, separately, in each Division?

The Honourable Sir Edward Benthall: (a) and (b). One Food Inspector has been appointed on the Multan Division. No Food Inspector has been appointed for the Karachi Division. As regards the other information asked for, material is being obtained, and a further reply will be laid on the table of the House in due course.

Mr. Muhammad Nauman: May I know whether that appointment was made by direct recruitment, or was somebody from the Department taken for that purpose?

The Honourable Sir Edward Benthall: I should require notice of that question.

Mr. Muhammad Nauman: I suppose it arises out of the question.

Mr. Lakhand Navalrai: May I know if this officer is working both for Karachi and Multan and has been visiting Karachi or not?

The Honourable Sir Edward Benthall: I am not aware of such details.

SELECTIONS FOR HIGHER GRADE PROMOTIONS IN KARACHI AND DELHI DIVISIONS.

355. *Seth Yusuf Abdoola Haroon: Will the Honourable Member for Railways be pleased to state:

- (a) how many selections for higher grade promotions were held in Karachi and Delhi Divisions during the year 1943;
- (b) the number, separately, of Hindu and Muslim candidates selected;
- (c) in how many of these Selection Boards Muslim Officers of equal status to other Board members were represented; and
- (d) if Muslim Officers of equal status did not sit on these Selection Boards, what steps the Honourable Member proposes to take about those selections?

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

MUSLIMS AND NON-MUSLIMS PROMOTED AND CONFIRMED IN THE ESTABLISHMENT AND EXECUTIVE OFFICES OF BENGAL AND ASSAM RAILWAY.

356. *Mr. Muhammad Nauman: (a) Will the Honourable Member for Railways be pleased to state the numbers of Muslims and non-Muslims promoted and confirmed in the Establishment and Executive Offices in the following scales of pay on the Bengal and Assam Railway in the years 1939-40 to 1943-44:

Old	New.
Ra.	Ra.
425—25/2—475	400
250—20—350	260
230—10—300	230
175—10—225	180
150—10—200	140
110—10—140	100—10/2—120 ?

(b) Is it a fact that twenty per cent. of the vacancies in intermediate grades in the Establishment and Executive Offices on the Bengal and Assam Railway were not advertised for direct recruitment during the years 1939-40 to 1943-44?

The Honourable Sir Edward Benthall: (a) Information is not readily available, and I regret that I cannot undertake to collect it under the present circumstances.

(b) The posts, which were filled by direct recruitment, were advertised except in very exceptional circumstances created by the present situation.

The Honourable Sir Edward Benthall: (a) I am unable to trace any such assurance.

(b) No, but Travelling Ticket Examiners and Crew staff who qualify for guards' posts are eligible to be considered for such promotion along with other qualified staff.

(c) As no specific undertaking was given, the question of its application to the O. & T. Railway does not arise.

(d) The question of the scales of pay of subordinate and inferior staff in the O. & T. Railway is at present under investigation.

ADDITIONAL STAFF EMPLOYED ON OUDH AND TIRHUT RAILWAY.

†247. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Railway Member please state if it is not a fact that the Railway Board asked the Administration of the Oudh and Tirhut Railway to employ more hands on salaries ranging between Rs. 250 and 1,000?

(b) Is it not a fact that the Oudh and Tirhut Railway Administration employed new hands in disregard of the claims of persons of long and approved services?

The Honourable Sir Edward Benthall: (a) No.
(b) I have no information.

CLAIMS PAID BY OUDH AND TIRHUT RAILWAY.

†248. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Railway Member please state if it is not a fact that the number of claims admitted and paid during the year 1943, when the Oudh and Tirhut Railway was acquired by the State, is greater than the number of claims in any of the previous five years excluding in each case the claims of military and the claims due to political disturbances?

(b) If the answer to (a) is in the affirmative, what is the cause of this abnormal increase?

The Honourable Sir Edward Benthall: (a) and (b). Claims statistics for the complete year 1943 are not yet available and I am therefore unable to answer this question. I may, however, state that the number of claims received by all railways has increased due to the abnormal conditions incidental to war time working and the O. & T. Railway is no exception.

MILITARY WARRANTS EXCHANGED BY TRAVELLING TICKET EXAMINERS ON OUDH AND TIRHUT RAILWAY.

†249. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Railway Member be pleased to state the total number of military warrants exchanged by the Travelling Ticket Examiners on the Oudh and Tirhut Railway during 1941-42, and the total number of such warrants exchanged in 1943?

(b) Is the Honourable Member aware that the decrease in the year 1943, in spite of increase in traffic, is due to the fact that Travelling Ticket Examiners of the Oudh and Tirhut Railway, in general, were indirectly prohibited from exchanging military warrants by the open declaration of the officer concerned, and that the earnings derived from the exchange of the military warrants were not genuine earnings and would not go to the credit of the Travelling Ticket Examiners concerned?

(c) Is it not a fact that East Indian Railway authorities have deputed several Flying Squad Units of four persons for the sole purpose of exchanging these warrants?

(d) What action does the Honourable Member propose to take to safeguard the Railway finances?

The Honourable Sir Edward Benthall: (a) I regret the information is not readily obtainable.

(b) No. It is possible that the Honourable Member has seen certain instructions issued by the O. & T. Railway which, whilst ordering Travelling Ticket Examiners to continue the normal practice of issuing Excess Fare Receipts for unexchanged warrants, covering a journey between two stations on the

†Answer to this question laid on the table, the questioner being absent.

O. & T. Railway, direct them to ensure that unexchanged warrants for through journeys are collected at a junction station, and Excess Fare Receipts are issued by the station staff to the holders. I understand this procedure was adopted to safeguard revenue.

(c) It is a fact that the E. I. Railway have appointed additional staff for the purpose but I am not aware of the details.

(d) Recent reports indicate that the number of warrants unexchanged has increased considerably. In order to safeguard railway finances and ensure that warrants are exchanged, railways have been instructed to open additional booking offices so that delay to military personnel in exchanging warrants at starting stations will be reduced. Additional Ticket Examining staff have been appointed. The possibility of avoiding the necessity for warrants to be exchanged at starting stations is under close examination.

CHECKING OF TICKETS AND PASSES OF RAILWAY STAFF.

†350. *Dr. Sir Zia Uddin Ahmad: (a) Will the Honourable the Railway Member please state if it is not a fact that the Officer Incharge of the ticket checking staff issued instructions not to check the tickets and passes of the Railway staff?

(b) Was this intended to let off the relatives of the Railway employees from purchasing tickets?

The Honourable Sir Edward Benthall: I am unable to reply as the Honourable Member has not stated to which Railway or which station he is referring to.

DIFFICULTIES IN COAL POSITION IN BENGAL DUE TO ACTIONS OF COAL COMMISSIONER.

351. *Mr. K. O. Neogy: Will the Honourable Member for War Transport be pleased to state whether he received a letter from me on the 25th February, 1944, drawing attention to certain serious difficulties in the coal position in Bengal due to recent actions of the Coal Commissioner as reported in two telegrams quoted in the said letter? If so, have enquiries been made into the allegations as affecting his Department and with what result?

The Honourable Sir Edward Benthall: Enquiries have been made into the allegations. In view of the dangerously low level of Railway Stocks, notices were served under the Defence of India Rules on certain collieries directing them to arrange despatches to railway up to a specified figure. Resentment was doubtless caused by this procedure but so far as I am aware it did not cause serious prejudice to the collieries concerned. It is not correct that many industries are likely to close down as a result of the action taken, since supplies to industries throughout the country between the 29th of January and 25th of February approximated to 95 per cent. of the ration fixed for that period by Government.

Action has been taken to arrange on account payments to collieries whose coal has been requisitioned for the railways.

Mr. K. O. Neogy: What is the position of the soft coke supply? There is a specific point about soft coke for domestic consumption, and the allegation is that the supply to Calcutta of soft coke was threatened due to the action taken under the Defence of India Act.

The Honourable Sir Edward Benthall: It may have been threatened, but I do not think it was actually short. Arrangements have been made recently to increase the supplies of soft coke to Calcutta from 2,500 to 2,600 wagons a month. I think there may be some difficulty about the provision of soft coke because I understand that the sale direct to the market of coal from which soft coke is made may influence the amount of soft coke available for the Calcutta market.

Dr. P. N. Banerjee: Will the Honourable the War Transport Member take steps to see to it that soft coke is supplied?

The Honourable Sir Edward Benthall: Yes, Sir, if the market will arrange to manufacture the soft coke.

†Answer to this question laid on the table, the questioner being absent.

Mr. Muhammad Nauman: May I know if those exceptional circumstances involved 20 per cent. of the vacancies? Has the Railway Board ascertained that fact or not?

The Honourable Sir Edward Benthall: The Honourable Member will, I am sure, appreciate that in war conditions rigid adherence to the rules is not possible in such an area.

Mr. Muhammad Nauman: May I say that war conditions should not work adversely against one particular community or nation?

Mr. President (The Honourable Sir Abdur Rahim): Next question.

MUSLIM APPLICANTS FOR POSTS IN THE STORES DEPARTMENT, BENGAL AND ASSAM RAILWAY.

357. *Mr. Muhammad Nauman: (a) Will the Honourable Member for Railways be pleased to state the number of applications received from Muslim candidates in response to advertisements for various categories of staff in the Stores Department of the Bengal and Assam Railway during the year 1943-44? What is the number of Muslims selected for each post?

(b) Is it a fact that Muslims were rejected on the ground that they did not possess the requisite qualifications cum experience?

(c) Was the prior approval of the Railway Board about the conditions mentioned in those advertisements sought for and obtained, as the existing recruitment rules do not contain those conditions?

The Honourable Sir Edward Benthall: With your permission, Sir, I propose to reply to questions Nos. 357 to 359 together.

Information has been called for and a reply will be laid on the table of the House in due course.

Mr. Muhammad Nauman: I put the same questions last year and the same answer was given. This year also ten days' notice is not sufficient.

The Honourable Sir Edward Benthall: If the Honourable Member put the same questions last year and the same answer was given, I am quite certain that the reply was laid on the table of the House and I do not understand why the Honourable Member is asking the same question again.

Mr. Muhammad Nauman: Not the same question but of the same type. My questions unfortunately were such that it was pleaded that there was no sufficient time for a reply even last year.

The Honourable Sir Edward Benthall: That is precisely the difficulty.

MUSLIM APPLICANTS FOR POSTS IN THE STORES DEPARTMENT, BENGAL AND ASSAM RAILWAY.

358. *Mr. Muhammad Nauman: (a) Will the Honourable Member for Railways be pleased to state the way in which deficiencies in the quota of Muslims not appointed in response to advertisements about posts in the Stores Department of the Bengal and Assam Railway during the year 1943-44 were made up?

(b) Is it a fact that no attempt was made to resort to nomination for filling up those posts by Muslims?

STAFF APPOINTED IN THE STORES DEPARTMENT OF BENGAL AND ASSAM RAILWAY IN THE SCALE OF RS. 30-3-45-5-80.

359. *Mr. Muhammad Nauman: Will the Honourable Member for Railways be pleased to state the number of men, communitywise appointed in the Stores Department of the Bengal and Assam Railway in the year 1943-44 on the maximum of the scale of Rs. 30-3-45-5-80 relaxing the age and educational qualifications?

†For answer to this question, see answer to question No. 370.

PROBATIONARY ASSISTANT STATION MASTERS AND SIGNALLERS APPOINTED ON BENGAL AND ASSAM RAILWAY.

360. *Mr. Muhammad Nauman: Will the Honourable Member for Railways be pleased to state the number of men, communitywise, who were appointed as probationary Assistant Station Masters and Signallers during the years 1942-43 and 1943-44 on the Bengal and Assam Railway without advertising the posts and relaxing the age and educational qualifications?

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

PROMOTIONS TO CLERICAL GRADE 'D' IN THE OFFICE OF CHIEF MECHANICAL ENGINEER, BENGAL AND ASSAM RAILWAY.

361. *Maulvi Muhammad Abdul Ghani: (a) Is the Honourable Member for Railways aware of the fact that in the office of the Chief Mechanical Engineer, Bengal and Assam Railway, promotion to clerical grade Class 'D' (Old and New) is confined to Sections?

(b) If the reply to (a) is in the affirmative, what is the number of vacancies in Class 'D' which occurred or were created during the years 1942-43, and 1943-44?

The Honourable Sir Edward Benthall: With your permission, Sir, I propose to reply to questions Nos. 361, 362, 364 and 365 together.

Information has been called for and a reply will be laid on the table of the House in due course.

CERTAIN CLERICAL VACANCIES FILLED IN THE CHIEF MECHANICAL ENGINEER'S OFFICE, BENGAL AND ASSAM RAILWAY.

362. *Maulvi Muhammad Abdul Ghani: (a) Is the Honourable Member for Railways aware of the fact that vacancies in the clerical grade 'D' in different Sections of the Chief Mechanical Engineer's Office, Bengal and Assam Railway, during the years 1942-43 and 1943-44 were filled up by temporary non-Muslim clerks?

(b) If the reply to (a) is in the negative, what is the number of vacancies sectionwise, and the number of Muslims who got any one of those vacancies or who did not get any one of them due to their transfers?

PROMOTIONS, ETC., IN PERSONNEL BRANCH OF BENGAL AND ASSAM RAILWAY.

363. *Maulvi Muhammad Abdul Ghani: (a) Is the Honourable Member for Railways aware of the fact that in the Personnel Branch of the Bengal and Assam Railway, promotions and confirmation to intermediate grades were based on selection up to December, 1942, and seniority after December, 1942?

(b) If the reply to (a) is in the negative, what is the number of permanent vacancies which occurred in intermediate grades during the period from 1941 to 1944 and the number of staff, communitywise, promoted and confirmed in those vacancies?

The Honourable Sir Edward Benthall: (a) I am informed that no change as is suggested, has been made.

(b) 26 vacancies arose; 25 Hindus and 1 Muslim were promoted.

Mr. Lalchand Navalrai: May I know from the Honourable Member, if any partiality was shown in making these appointments according to community, as the Honourable the Secretary for Posts and Air

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member is arguing.

Mr. Lalchand Navalrai: I am putting the question whether any partiality is being shown. That is my question.

The Honourable Sir Edward Benthall: No, Sir. There is no partiality on the Railways.

Mr. Muhammad Nauman: With regard to part (b), what was the number of the permanent vacancies which occurred and which the Honourable Member did not mention?

The Honourable Sir Edward Benthall: 26 vacancies.

†For answer to this question, see answer to question No. 361.

[18TH MAR. 1944

981

STARRED QUESTIONS AND ANSWERS

RAILWAYS
VACANCIES IN INTERMEDIATE GRADES IN THE STORES DEPARTMENT, BENGAL AND ASSAM RAILWAY.

364. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable Member for Railways be pleased to state the number of posts which fell vacant or were created in the Lower Gazetted Service on the Bengal and Assam Railway during the years 1942-43 and 1943-44, and the number of men, communitywise, who filled those posts?

(b) Is it a fact that non-Muslim Matriculates with only one year of training were promoted to the Lower Gazetted Service in the Stores Department, and that Muslims who secured higher marks during training were rejected?

VACANCIES IN INTERMEDIATE GRADES IN THE STORES DEPARTMENT, BENGAL AND ASSAM RAILWAY.

365. *Maulvi Muhammad Abdul Ghani: Will the Honourable Member for Railways be pleased to state the number of vacancies which occurred or were created in intermediate grades during 1942-43 and 1943-44 in the Stores Department of the Bengal and Assam Railway?

CLERKS SELECTED FOR CERTAIN HIGHER POSTS SANCTIONED BY THE GENERAL MANAGER, EAST INDIAN RAILWAY.

366. *Shaikh Rafiuddin Ahmad Siddiquee: (a) Will the Honourable Member for Railways be pleased to state whether old clerks were employed in higher posts sanctioned by the General Manager, East Indian Railway, vide his Minute Sheet No. OP E81 of the 10th May, 1943, for the re-organisation of the Establishment Branch of the office of the Divisional Superintendent, Howrah?

(b) Is it a fact that majority of clerks selected for higher posts did not pass the Leave Rules Examination?

(c) Is it a fact that no other test was prescribed to test their efficiency for higher posts?

(d) Is it a fact that communal quota in these newly-sanctioned posts was not observed?

The Honourable Sir Edward Benthall: With your permission, Sir, I propose to reply to questions Nos. 366 to 368 together.

Information has been called for and a reply will be laid on the table of the House in due course.

CLERKS SELECTED FOR CERTAIN HIGHER POSTS SANCTIONED BY THE GENERAL MANAGER, EAST INDIAN RAILWAY.

367. *Shaikh Rafiuddin Ahmad Siddiquee: (a) Is the Honourable Member for Railways aware of the fact that at the time of filling up higher posts sanctioned by the General Manager, East Indian Railway, for the re-organisation of the Establishment Branch of the office of the Divisional Superintendent, Howrah, vide his minute sheet No. OP E81 of the 10th May, 1943, the claims of Muslims, who were graduates and senior and had passed the Leave Rules Examination, and had experience of the Establishment Office were rejected without giving them official replies?

(b) If the reply to (a) is in the negative, will he be pleased to state the official replies given to Muslims who applied for higher posts and were interviewed in July 1943?

CLERKS SELECTED FOR CERTAIN HIGHER POSTS SANCTIONED BY THE GENERAL MANAGER, EAST INDIAN RAILWAY.

368. *Shaikh Rafiuddin Ahmad Siddiquee: (a) Is the Honourable Member for Railways aware of the fact that old clerks considered to be originally responsible for arrear of work and irregularities referred to in the General Manager's Minute Sheet No. OP E81 of the 10th May, 1943, and the enclosure to the Divisional Superintendent, Howrah, letter to the General Manager, dated the 1st May, 1943, were only selected to fill up higher posts sanctioned by the General Manager on the 10th May, 1943?

*For answer to this question, see answer to question No. 361.
†For answer to this question, see answer to question No. 366.

(b) If the reply to (a) is in the negative, what is the nature of the irregularities, and what are the names of the staff other than those selected for higher posts responsible for their commission?

(c) Is it a fact that slack supervision in the case of non-Muslims is rewarded as stated in (a)?

REPORTS ON RE-ORGANISATION OF THE ESTABLISHMENT BRANCH OF THE OFFICE OF DIVISIONAL SUPERINTENDENT, HOWRAH.

369. *Shaikh Rafiuddin Ahmad Siddiquee: Does the Honourable Member for Railways propose to place before the House monthly and six monthly reports of progress on account of the re-organisation in the Establishment Branch of the office of the Divisional Superintendent, Howrah, in the year 1943 submitted to the General Manager, East Indian Railway, according to his minute sheet No. OP E81 of the 10th May, 1943?

The Honourable Sir Edward Benthall: No.

Mr. Muhammad Nauman: What was the difficulty in placing the reports on the table of this House?

The Honourable Sir Edward Benthall: Such details of administration are matters for the Railways.

Mr. Muhammad Nauman: May I know whether such reports are available in the Railway Board's office at least? Are these reports sent to the Railway Board?

The Honourable Sir Edward Benthall: No, Sir. These matters of detailed administration are within the competence of the Railways.

Mr. Muhammad Nauman: In that case, the Railway Board cannot watch the interests of the communities which are not properly represented?

The Honourable Sir Edward Benthall: It is not the duty of the Railway Board to watch all the details of administration.

Mr. Muhammad Nauman: What does the Establishment Branch of the Railway Board exist for?

(No answer.)

BIAS AGAINST MUSLIM CANDIDATES FOR POSTS OF OFFICE SUPERINTENDENTS, HOWRAH DIVISION, EAST INDIAN RAILWAY.

370. *Mr. Muhammad Hussain Choudhury: Is the Honourable Member for Railways aware of the fact that the Divisional Superintendent, East Indian Railway, Howrah, did not send any Muslim for the post of Office Superintendent in response to the General Manager's D. O. No. SP/34, of the 1st June, 1943, to him?

The Honourable Sir Edward Benthall: With your permission, Sir, I propose to reply to questions Nos. 370 to 374 together.

Information has been called for and a reply will be laid on the table of the House in due course.

BIAS AGAINST MUSLIM CANDIDATES FOR POSTS OF OFFICE SUPERINTENDENTS, HOWRAH DIVISION, EAST INDIAN RAILWAY.

371. *Mr. Muhammad Hussain Choudhury: (a) Is the Honourable Member for Railways aware of the fact that applications of Muslim employees for posts of Office Superintendents, in response to the General Manager's D.O. No. SP/34, dated the 1st June, 1943, to the Divisional Superintendent, East Indian Railway, Howrah, were strongly recommended by their Executive Officers on the Howrah Division, East Indian Railway, after due examination?

(b) Is it a fact that the names of the Muslim employees recommended by their Executive Officers were not forwarded?

(c) If the reply to (b) is in the negative, what were the disqualifications found in those Muslim employees for not forwarding their names?

BIAS AGAINST MUSLIM CANDIDATES FOR POSTS OF OFFICE SUPERINTENDENTS, HOWRAH DIVISION, EAST INDIAN RAILWAY.

372. *Mr. Muhammad Hussain Choudhury: Is the Honourable Member for Railways aware of the fact that the Divisional Personnel Officer, East Indian

*For answer to this question, see answer to question No. 370.

LEGISLATIVE ASSEMBLY

[13TH MAR. 1944]

of course, issued from time to time by the Bombay Government and a communique was published by the Government of India on the 24th December, 1943. These were, no doubt, reported by the Press in America. The second and third parts of the question do not arise.

(b) Neither information nor instructions of any kind were sent to the Agent General. The last part of the question does not arise.

PRESS NOTE.

Government have seen press comments on the continued detention of Mrs. Gandhi in view of her present state of health. Her release would, however, involve separating her from her husband during her illness and since she can receive, and is receiving, every possible medical care and attention where she is and is not debarred from seeing her near relatives, Government have decided that there would be no kindness either to her or to her family in removing her from the Aga Khan's Palace.

STATEMENT IN AMERICA BY INDIA'S AGENT GENERAL CONCERNING MRS. GANDHI'S DETENTION AND DEATH.

382. *Mr. K. S. Gupta: (a) Is the Foreign Secretary aware of the statement made by Sir Girja Shankar Bajpai about the death and detention of the late Mrs. Gandhi?

"At various times the Government considered her release from detention for health reasons, but she wished to remain with her husband, and her wishes were respected."

(b) Is the above statement correct? If so, when was she offered release for the last time? If not, what does the Honourable Member propose to do to amend the incorrectness of the statement above quoted?

(c) Does he propose to give to the House assurance that no such thing will be allowed as a means of propaganda abroad?

Sir Olaf Caroe: (a) and (b). If the Honourable Member refers to a statement attributed to the Agent General and published in *The Hindustan Times*, the answer is that the Agent General made no such statement. He made no public statement at all on this subject. One correspondent, in reply to a telephonic enquiry, was informed that the death of Mrs. Gandhi was universally regretted. In reply to a further enquiry, he was told that Government had considered the question of Mrs. Gandhi's release, but had come to the conclusion that there would be no kindness in releasing her since she had the services of an eminent heart specialist in the Aga Khan's Palace and had the further advantage of being with her husband. This information was based on the Government of India's communique referred to in my answer to part (a) of the last question and it is correct that there was no offer of release. The standing of what was said to this correspondent and my reply will, I hope, serve to remove that misunderstanding.

(c) Does not arise.

Pandit Lakshmi Kanta Maitra: Do I understand the Honourable Member to say that the statement that was published in *The Hindustan Times* is substantially incorrect? If so, what steps did the Government take to correct this wrong information?

Sir Olaf Caroe: Yes, Sir. I have stated that it was incorrect and I have also endeavoured to remove the incorrect impression by the answer which I have given in this House.

Pandit Lakshmi Kanta Maitra: I wanted to know why the Press Adviser to the Government of India or the Censor to the Government of India did not interfere in this matter and prohibit the publication of this misleading report?

Sir Olaf Caroe: My answer amounts to intervention in the matter.

ASSEMBLY'S VOTE AGAINST INCREASE OF RAILWAY FARES.

383. *Sardar Mangal Singh: Will the Honourable the Railway Member please state:

(a) whether Government have considered Mr. Das's cut motion reducing Rs 10 crores under the head "Appropriation to Reserve" which is the amount

expected to be got from the increase in Railway fares; and

(b) whether Government have accepted the vote of this House and will refrain from increasing railway fares; if not, why not?

The Honourable Sir Edward Benthall: (a) and (b). As the proposal to increase railway fares forms part of the Government's financial programme, they intend to consider the position when the proceedings relating to the General Budget have been concluded, and hope to announce their decision before the end of the Session.

CHANNEL OF RECRUITMENT TO CLASS II OFFICERS IN TELEGRAPH ENGINEERING DEPARTMENT.

384. *Mr. Ananga Mohan Dam: Will the Secretary for Posts and Air be pleased to state:

(a) whether it is a fact that Science Graduates without any practical experience in Telegraph or Telephone Engineering are being recruited as Class II Officers, i.e., as Assistant Engineers, Developments or Assistant Exchange Engineers under the Construction Branch of the Posts and Telegraphs Directorate, while Engineering Supervisors with similar or higher qualifications and sound practical experience are available in the Department itself;

(b) whether it is a fact that hitherto all the posts of Class II Officers in the Telegraph Engineering Department were filled by promotion from amongst the Engineering Supervisors only and none by direct recruitment;

(c) whether Government are aware that this procedure of recruitment is fostering discontent amongst the Engineering Supervisors, and that this is likely to seriously impair the efficiency of service in these war days;

(d) whether there is any likelihood of these new Class II Officers becoming permanently absorbed in the Department either in some existing cadre or in a new separate cadre on the ground that they have gained some practical experience;

(e) whether Government are conscious that the revised scale of pay of Engineering Supervisors, which starts from Rs. 80 per mensem is low for an All-India Service and is not commensurate with the responsible and technical nature of their duties; and

(f) whether Government are aware that the present low standard of Telephone Service throughout India is mainly due to the low pay of the Supervisory, Mechanical and Operating staff?

Sir Gurnath Bewoor: (a) Only two such Science Graduates, who had undergone post-graduate course in Communications Engineering, have been employed as Assistant Development Engineers in view of their special training which made them particularly suitable for the work concerned.

(b) Yes, but I may point out to the Honourable Member that the posts to which the two science graduates were appointed were outside the normal cadre.

(c) Government are not aware of any discontent, nor do they see any justification for it, because against a permanent cadre of 84 posts in Class II service, 107 temporary posts have had to be created on account of the increase in work due to the war and of these 107 posts, 101 have been filled by the promotion of Engineering Supervisors.

(d) The appointments are of a temporary character and have been created on account of the work due to the war.

(e) Government do not consider that the revised scale of pay is either low or incommensurate with the nature of the duties. I may inform the Honourable Member that, in addition to pay, Engineering Supervisors are entitled to free furnished accommodation or house rent allowance in lieu thereof.

(f) It is not a fact that the telephone service is of a low standard throughout India, nor do Government agree that the pay of the supervisory, mechanical and operating staff is low.

(e) No. The compilation of the information will entail undue time and labour.

(f) Does not arise.

LOWER PERCENTAGE OF MUSLIMS APPOINTED IN RAILWAYS.

377. *Mr. H. M. Abdullah: Will the Honourable the Railway Member please refer to the figures of direct recruitment, published in the Railway Board's report for the year 1942-43, and state:

(a) whether it is a fact that the number of Muslims appointed in Railways falls short of the prescribed percentage;

(b) if the reply to (a) above is in the affirmative, the reasons for this under-recruitment of Muslims; and,

(c) what steps Government propose to make good the deficiencies, and to ensure that such under-recruitments do not occur in future; if none, why?

The Honourable Sir Edward Benthall: (a) Yes, in recruitment to permanent vacancies in the subordinate cadre.

(b) As far as can be ascertained, the reason is the larger proportion of recruitment having taken place on railways with a low percentage reservation for Muslims and two Railways failing to recruit up to their quota.

(c) Government are examining the remedial action necessary.

Mr. Muhammad Nauman: May I say with reference to part (a) that the Muslim position has deteriorated in the last two years and what are the reasons for this deterioration?

The Honourable Sir Edward Benthall: I do not think it has deteriorated. It is, however, a matter of concern to my Department that the full percentage has failed to be achieved by 3 per cent.

Maulvi Muhammad Abdul Ghani: Has the attention of the Honourable Member been drawn to page 81 of the Railway Administration Report for the year 1942-43, Vol. I, which says that the Muslim percentage has decreased from 29 to 19 per cent?

The Honourable Sir Edward Benthall: The Honourable Member is quoting from figures which have been published by Government and if he is quoting the figures correctly, then he can take it that they are correct.

Maulvi Muhammad Abdul Ghani: What steps do Government propose to see that conditions improve?

Mr. Lalchand Navarai: Less qualifications!

The Honourable Sir Edward Benthall: I would refer the Honourable Member to my reply to part (c) of the question.

MUSLIM ASSISTANTS IN RAILWAY BOARD OFFICE.

378. *Mr. H. M. Abdullah: Will the Honourable Member for Railways be pleased to state:

(a) the total strength of the noting Assistants, Class I, in the office of the Railway Board, giving permanent and temporary, separately;

(b) the number of Muslim Assistants, Class I, permanent and temporary, separately;

(c) the number of noting Assistants, Class I, who were confirmed during the year 1942-43, whether provisionally or otherwise, and how many of them were Muslims; and

(d) if it is a fact that the number of permanent Muslim Assistants in the Railway Board's office is very small; and, if so, what step Government propose to take to increase their number; if none, why?

The Honourable Sir Edward Benthall: (a) Permanent 34; Temporary 52.

(b) Permanent 3; Temporary 12.

(c) Three. None of these was a Muslim.

(d) Yes. A communal roster for Noting Assistants appointed by direct recruitment in permanent and quasi-permanent vacancies is maintained by the Home Department for all Departments, of the Government of India and a shortage in the recruitment of Muslims in such vacancies in the Railway Department is, therefore, compensated by a corresponding increase in some

other Department. Fifty per cent. of such vacancies are filled by promotion or transfer from Railways and the rules regarding communal representation in the services do not apply to appointments so made.

DIVISIONAL PERSONNEL OFFICER, DELHI.

379. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to state whether he is aware that the present Divisional Personnel Officer in the Delhi Division of the North Western Railway was transferred from Rawalpindi Division due to his anti-Muslim activities? Is it a fact that this officer has again been appointed as Divisional Personnel Officer, Delhi, where serious allegations have been made against him for being anti-Muslim?

(b) Do Government propose to shift this officer to a post where he may not have to deal with personnel matters? If not, why not?

The Honourable Sir Edward Benthall: (a) No. As regards the second part, I am aware of no such allegation.

(b) Government do not propose to interfere with the discretion of the Railway in such matters.

Mr. Muhammad Nauman: Will the Honourable Member make inquiries whether the allegation has any bearing or not?

The Honourable Sir Edward Benthall: This is a matter of detailed railway administration.

Mr. Muhammad Nauman: A statement has been made in the House through a question and it is the duty of the Railway Board to give an answer and make enquiries.

(No reply.)

APPOINTMENT OF RAILWAY WATCH AND WARD SUB-INSPECTOR, DELHI.

380. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that on the North Western Railway appointment to the post of Sub-Inspector, Watch and Ward, is confined either to direct recruits with past military service or to the staff in the lower grade in the Watch and Ward Department?

(b) Is it a fact that in the Delhi Division, a non-matriculate Second Guard was promoted as Sub-Inspector, Watch and Ward, and the claim of a fully-qualified seniormost head Watchman, who happened to be a Muslim, was ignored?

(c) If the replies to (a) and (b) are in the affirmative, do Government propose to rectify the irregularity? If not, why not?

The Honourable Sir Edward Benthall: I have called for information and a reply will be laid on the table of the House in due course.

STATEMENT IN AMERICA BY INDIA'S AGENT GENERAL CONCERNING MRS. GANDHI'S DETENTION AND DEATH.

381. *Mr. K. S. Gupta: (a) Will the Foreign Secretary please state if the Government of India gave information from time to time about the health of the late Mrs. Kasturba Gandhi to the Secretary of State for India in England and also to their Agent-General, Sir Girja Shankar Bajpai? If so, does the Honourable Member propose to place on the table all the correspondence between their Agent-General in America and the Government of India? If not, why not?

(b) Is the information about the death of Mrs. Gandhi sent to their Agent-General in America? Are there any special instructions sent to him along with the news of the death to issue any statement concerning the death and detention of Mrs. Gandhi? If so, does the Honourable Member propose to place on the table the text of the information and instruction given to their Agent-General in America?

Sir Olaf Caroe: (a) No official information concerning Mrs. Gandhi's health was sent to the Agent General. So far as the Secretary of State is concerned, the Honourable Member should address the Home Member. Bulletins were,

(e) No. The compilation of the information will entail undue time and labour.

(f) Does not arise.

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(c) the number of noting Assistants, Class I, who were confirmed during the year 1942-43, whether provisionally or otherwise, and how many of them were Muslims; and

(d) if it is a fact that the number of permanent Muslim Assistants in the Railway Board's office is very small; and, if so, what step Government propose to take to increase their number; if none, why?

The Honourable Sir Edward Benthall: (a) Permanent 34; Temporary 52.

(b) Permanent 3; Temporary 12.

(c) Three. None of these was a Muslim.

(d) Yes. A communal roster for Noting Assistants appointed by direct recruitment in permanent and quasi-permanent vacancies is maintained by the Home Department for all Departments, of the Government of India and a shortage in the recruitment of Muslims in such vacancies in the Railway Department is, therefore, compensated by a corresponding increase in some

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(b) Do Government propose to shift this officer to a post where he may not have to deal with personnel matters? If not, why not?

The Honourable Sir Edward Benthall: (a) No. As regards the second part, I am aware of no such allegation.

(b) Government do not propose to interfere with the discretion of the Railway in such matters.

Mr. Muhammad Nauman: Will the Honourable Member make inquiries whether the allegation has any bearing or not?

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(b) Is it a fact that in the Delhi Division, a non-matriculate Second Guard was promoted as Sub-Inspector, Watch and Ward, and the claim of a fully-qualified, senior-most head Watchman, who happened to be a Muslim, was ignored?

(c) If the replies to (a) and (b) are in the affirmative, do Government propose to rectify the irregularity? If not, why not?

The Honourable Sir Edward Benthall: I have called for information and a reply will be laid on the table of the House in due course.

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(b) Is the information about the death of Mrs. Gandhi sent to their Agent-General in America? Are there any special instructions sent to him along with the news of the death to issue any statement concerning the death and detention of Mrs. Gandhi? If so, does the Honourable Member propose to place on the table the text of the information and instruction given to their Agent-General in America?

Sir Olaf Caroe: (a) No official information concerning Mrs. Gandhi's health was sent to the Agent General. So far as the Secretary of State is concerned, the Honourable Member should address the House Member. Bulletins were,

Mr. Muhammad Nauman: With reference to part (f) of the question, is the Honourable Member aware that the efficiency of Telephone Service in Calcutta has deteriorated and complaints have been made to that effect?

Sir Gurunath Bewoor: Yes, Sir, I am aware of it but what I said was that it is not so throughout India.

Mr. Lalchand Navairai: May I ask if 'efficiency' is required or not in the Posts and Air Department?

Sir Gurunath Bewoor: That does not arise out of this question.

MUSLIMS IN THE DEPARTMENT OF SECRETARY, CALCUTTA PORT TRUST.

385. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for War Transport please state how many officers there are in the Department of the Secretary, Calcutta Port Trust, and how many of them are Muslims?

(b) What is the percentage of Muslims in the Secretary's Department of Calcutta Port Trust?

(c) Have any Muslim clerks or officers been engaged in the said Department during the last ten years? If so, how many?

The Honourable Sir Edward Benthall: (a) Four officers; none are Muslims.

(b) 13.4 per cent.

(c) Government have not the information and are not disposed to call for it, since preparing an answer to this question would involve an amount of inquiry and research, which they would not feel justified in imposing on the Port Commissioners at the present time.

Mr. Muhammad Nauman: When the Honourable Member knows that there is no Muslim, can he not ask for an explanation why such a position exists?

The Honourable Sir Edward Benthall: Question No. 389 is on that subject.

Qazi Muhammad Ahmad Kazmi: With reference to part (b) of the question, did the Honourable Member say 13.7 per cent.?

The Honourable Sir Edward Benthall: I said 13.4 per cent.

MUSLIMS IN THE ESTATES DEPARTMENT OF CALCUTTA PORT TRUST.

386. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for War Transport please state how many officers there are in the Estates Department of the Calcutta Port Trust, and how many of them are Muslims?

(b) What is the percentage of Muslim clerks in that Department?

(c) Have any Muslim officers or clerks been appointed in the said Department during the last ten years? If so, how many?

The Honourable Sir Edward Benthall: (a) Six officers; none are Muslims.

(b) There are no Muslim clerks in the Estates Department.

(c) Government have not the information and are not disposed to call for it, since preparing an answer to this question would involve an amount of inquiry and research, which they would not feel justified in imposing on the Port Commissioners at the present time.

Qazi Muhammad Ahmad Kazmi: In reply to part (b) of the question, the Honourable Member has said that there are no Muslims. In that case, there was no question of collecting any information.

The Honourable Sir Edward Benthall: The Honourable Member has asked for information for ten years and in the present circumstances in which the Port Trust is placed, I did not feel justified in asking them to search the files of the last ten years.

MUSLIM EXECUTIVE ENGINEERS IN THE CIVIL ENGINEERING DEPARTMENT OF CALCUTTA PORT TRUST.

387. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for War Transport please state how many Muslim Executive Engineers, Engineering Assistants and Overseers there are in the Civil Engineering Department of the Calcutta Port Trust?

(b) Is it or is it not a fact that an overage Executive Engineer has been given four extensions? If so, is it in accordance with rules?

(c) Has this officer any recognised qualifications? If so, what?

The Honourable Sir Edward Benthall: (a) There is one Muslim Assistance Executive Engineer.

(b) An Executive Engineer, who has since retired, was given five extensions covering a total period of 2 years, 2 months and 16 days. The extensions which were granted in the exigencies of the service were duly sanctioned in accordance with the rules.

(c) This officer was appointed as an Assistant Engineer in 1919 and had considerable experience in Dock construction work.

Qazi Muhammad Ahmad Kazmi: With reference to part (c) of the question, is it not a fact that this officer had no engineering qualifications?

The Honourable Sir Edward Benthall: I will merely say that practical experience is of extreme value.

Qazi Muhammad Ahmad Kazmi: May I ask in what capacity did he start acquiring this practical experience?

The Honourable Sir Edward Benthall: He was appointed as an Assistant Engineer in 1919.

Mr. Muhammad Nauman: With reference to part (b) of the question, does the Government see the desirability of not giving any more extensions to this officer who has already been given four extensions?

The Honourable Sir Edward Benthall: That is entirely within the competence of the Port Commissioners.

Qazi Muhammad Ahmad Kazmi: May I know exactly the reason for giving extensions to this gentleman? Are there no officers available to carry on this work?

The Honourable Sir Edward Benthall: I should require notice of this question, but it is a matter which is entirely within the competence of the Port Commissioners.

Mr. Muhammad Nauman: Will the Honourable Member convey to the Port Commissioner the view of this House on this subject?

The Honourable Sir Edward Benthall: I am not aware that the Honourable Member, who is speaking in his own capacity, represents the views of the entire House.

Mr. Muhammad Nauman: Because we have already defeated the Government on the subject of bad usage of granting extensions in services and that was the view of the House generally.

The Honourable Sir Edward Benthall: That applies to the Railways.

Qazi Muhammad Ahmad Kazmi: May I know the policy of the Government themselves in regard to the matter of extensions after the normal term of service is over? Do they like this system of extensions?

The Honourable Sir Edward Benthall: That, Sir, does not arise out of this question. It is a matter which rests entirely with the Port Commissioners.

MUSLIM DOCTORS, ETC., EMPLOYED IN THE A. R. P. DEPARTMENT OF CALCUTTA PORT TRUST.

388. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for War Transport please state when the special A.R.P. Department was created in the Calcutta Port Trust?

(b) Who is the head of this Department?

(c) How many Muslim doctors, clerks and first aiders are employed in this branch?

The Honourable Sir Edward Benthall: (a) 7th August, 1942.

(b) Lt.-Col. C. W. T. Hook.

(c) There are no Muslim Doctors or clerks. The number of Muslim first aiders is thirty.

Qazi Muhammad Ahmad Kazmi: What is the reason for there being no Muslim doctors? Did they ever try to have any Muslim doctors in this Department?

The Honourable Sir Edward Benthall: If the Honourable Member will wait for the reply to his question No. 389, I will give the answer.

PAUCITY OF MUSLIM OFFICERS, ETC., IN CALCUTTA PORT TRUST.

389. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable Member for War Transport please state the reasons for so low a percentage of Muslim officers or clerks in these Departments of the Calcutta Port Trust?

(b) Is it or is it not a fact that in the Calcutta Port Trust only such menial posts are given to Muslims for which Hindus are not readily available? If not, what are the real facts?

The Honourable Sir Edward Benthall: (a) The reason is that suitable Muslim candidates have not offered themselves for appointment.

(b) No. In the matter of appointment to the Port Commissioners service equal opportunities exist for members of all communities. There is no discrimination against Muslims. The most suitable candidate is appointed.

Qazi Muhammad Ahmad Kazmi: Has the Honourable Member got any information as to the actual number of applications received and how many out of them were from Muslims? How did the authorities come to the conclusion that there were not sufficient number of Muslim applicants?

The Honourable Sir Edward Benthall: By reference to the Port Commissioners who gave me that information.

Mr. Muhammad Nauman: What efforts were made to get suitable Muslims?

The Honourable Sir Edward Benthall: I want notice.

Qazi Muhammad Ahmad Kazmi: Will the Honourable Member call for information from the Port Commissioners as to the number of Muslim applicants?

The Honourable Sir Edward Benthall: The Honourable Member already put that question previously.

Mr. H. A. Sathar H. Essak Sait: May I call the attention of the Honourable Member to the fact that in answer to one of my questions about two years ago, the Honourable Member's predecessor in office promised to look into these figures and try to remedy the defects and will the Honourable Member enquire what has been done in the matter, whether anything has been done at all?

The Honourable Sir Edward Benthall: The position is that the power to fill up the appointments, except in the case of very high posts, vests by law in the Port Commissioners and while we have asked them in the past to follow as far as possible the communal proportions laid down by Government for Government services, we cannot issue direct instructions to them.

Mr. H. A. Sathar H. Essak Sait: Do not these instructions bind them to make appointments according to these instructions?

The Honourable Sir Edward Benthall: It is within their competence, just as it is in the case of company managed railways. We conveyed our views to the Port Commissioners.

Maulvi Syed Murtuza Sahib Bahadur: May I know if the Honourable Member is aware of the fact that when a similar question was asked regarding the Supply Department, Mr. Macewan pleaded the same reasons, but when he was asked whether he would make a reference in such cases to the Secretary of the Muslim League and find out if qualified Muslim candidates could be obtained, he signified his consent to it, and may I know if the Honourable Member is prepared to adopt the same measure so far as his Department is concerned?

The Honourable Sir Edward Benthall: No, Sir. As I have just explained the power to fill up these appointments vests by law in the Port Commissioners and we have no power to insist upon any particular action.

Mr. Muhammad Nauman: Am I to understand that the Government of India have no authority over the Port Commissioners and that there is no control over them to regulate their activities?

The Honourable Sir Edward Benthall: Not in this respect.

WAR-TIME MALPRACTICE IN COAL TRADE.

390. *Mr. Kailash Bihari Lall: (a) Has the attention of the Honourable Member for War Transport been drawn to the war-time malpractice in coal trade viz., mixing of dust or water or both with coal (steam coal, soft coke, charcoal)?

(b) Is he aware of the public complaint that they get lot of dust, sometimes as much as 50 per cent. or still more, with the coal?

(c) Is he aware that one maund of charcoal can absorb about 13 seers of water?

(d) Were any enquiries at any time made as to how much of dust is mixed by the dealer, how much of it is formed while in transit in the wagons, and how much of it is mixed by the dishonest consignor?

(e) Is he aware of the general impression that 90 per cent. of the dust is mixed by the dishonest consignor?

(f) If so, does he realise that this dust-mixed coal involves a huge waste and misuse of the precious wagon space which would otherwise be available for carriage of more coal, and that such dust-mixed coal means more consumption and greater expense on the part of the consumer?

(g) Is the Honourable Member prepared to look into the matter personally to devise ways and means to put a stop to this malpractice in the coal trade which has reached a serious stage?

(h) Is he prepared, in addition to other steps, to consider the advisability of conferment of special powers upon Railways to enable them to refuse to carry unsifted coal or coal deliberately soaked in water?

The Honourable Sir Edward Benthall: (a), (b) and (c). During recent months there have been some complaints of the wetting of charcoal and of the presence of excessive dust in steam coal and coke delivered by rail. I have, however, no information as to the quantity of water that charcoal can absorb or of the percentage of dust contained in steam coal and coke delivered to various consumers.

(d), (e) and (f). The presence of dust in coal and coke in recent months has been due to the serious shortage of coal and to the consequent despatch of all accumulated stocks, which naturally contain a larger percentage of dust owing to exposure in stocks at the collieries. Some dust is also liable to be formed in wagons during transit, the quantity varying with the distance travelled and the handling it receives. As regards the mixing of dust by the consignors, it is for the consumers' agents to see that the right quality of coal is loaded by the collieries. In the case of charcoal despatch by rail now-a-days follows so quickly after quenching that it is liable to reach its destination in a wet or damp condition.

(g) and (h). A proposal is already under examination for issuing an order under the Defence of India Rules to prohibit the deliberate wetting of charcoal. No such action is contemplated in regard to the admixture of dust with coal and coke, nor is it proposed to confer powers on railways to refuse to accept unscreened coal or wet charcoal.

UNSTARRED QUESTIONS AND ANSWERS.

PICKING UP OF FAMILY BY RAILWAY EMPLOYEES OR *vice-versa* AT INTERMEDIATE STATIONS UNDER NORTH WESTERN RAILWAY PASS RULES.

108. Mr. Lalchand Navalrai: Will the Honourable Member for Railways be pleased to state:

(a) whether under the North Western Railway Pass Rules employees can pick up their families from an intermediate station, when travelling on railway passes;

(b) if the reply to (a) above be in the affirmative, whether an employee's family is allowed to pick up an employee himself at an intermediate station, who is on leave; if not, why not; and

(c) the system on other Railways in both cases?

†Answer to this question laid on the table, the questioner being absent.

designation 'mistries'. The scales of pay of telephone mistries were revised in 1935 as part of the scheme for general revision of scales of pay in all Departments. Revision of scales of pay does not necessarily involve corresponding reduction in duties and hours of work.

(d) The matter is under consideration.

CURTAILMENT OF COURSES OF MEALS AT RAILWAY REFRESHMENT ROOMS AT DELHI.

113. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways please state if it is a fact that Railway Refreshment Rooms at Delhi have been ordered by Government to curtail the courses of lunch and dinner to be served to the travelling public? If so, what is that order, by whom is it issued, and on what criterion is it based?

The Honourable Sir Edward Benthall: Instructions to the Railway Refreshment Rooms at Delhi were issued in pursuance of the Chief Commissioner, Delhi's Notification No. F. 18 (5)/44/W & CS, dated 27th January, 1944. As stated in the Notification the restriction of meals to three courses was considered necessary for maintaining supplies and services essential to the life of the community.

ASSISTANCE TOWARDS EDUCATION OF CHILDREN OF RAILWAY EMPLOYEES.

114. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways please state:

(a) if it is a fact that the date by which to exercise option for assistance to Railway employees from Railway funds towards the education of their children, was fixed before 1st January, 1931, by letter No. 4233-E, dated the 2nd September, 1930, from the Railway Board as laid before the meeting of the Central Advisory Council for Railways held on the 14th September, 1935;

(b) if it is a fact that the said date (before 1st January, 1931) has been extended (i) in the case of employees on the North Western Railway to the 24th August, 1939, by letter No. E39/ED/35, dated the 8th September, 1939, from the Railway Board, and (ii) in the case of employees on the East Indian Railway to the time they first applied for such assistance as stated in the reply given to part (b) of unstarred question No. 34, asked on the 9th February, 1944; and

(c) if the replies to part (b) be in the affirmative, the reasons for differential treatment between employees on the North Western Railway and employees on the East Indian Railway for the same assistance?

The Honourable Sir Edward Benthall: (a) and (b). Yes.

(c) There is no essential difference since all that is necessary is to ensure that all the employees affected are afforded an opportunity to declare their choice.

UNPAID OVERTIME WORK OF GORAKHPUR RAILWAY WORKSHOP STAFF.

115. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways please state if it is a fact that overtime from 1st January, 1943, earned by the Oudh and Tirhut Railway workshop staff at Gorakhpur has not yet been paid to them? If not, does he propose to lay on the table of this Honourable House the memoranda of overtime (Form L-247) from that date? If not, why not?

The Honourable Sir Edward Benthall: No. As regards the second and third parts, Government regret their inability to collect and place such departmental documents on the table of the House.

DELIVERY IN SHAHDARA TOWN OF TELEGRAMS RECEIVED BY DELHI CITY TELEGRAPH OFFICE.

116. **Mr. Muhammad Azhar Ali:** Will the Secretary of the Posts and Air Department please refer to paragraph 401 of the Posts and Telegraphs Guide regarding delivery of telegrams, viz.—Telegrams are delivered free of charge within five miles of a telegraph office, and state:

(a) the distance between the Telegraph Office, Delhi City, and the Shahdara Town;

(b) if it is a fact that telegrams received by the Telegraph Office, Delhi City, for persons residing at Shahdara are transmitted to the Railway Telegraph Office, Delhi Junction;

(c) if it is a fact that the Railway Telegraph Office, Delhi Junction, sends them through a messenger by train to the North Western Railway Telegraph Office, Shahdara;

(d) if it is a fact that the North Western Railway Telegraph Office, Shahdara, makes them over to the Post Office at Shahdara for delivery;

(e) if it is a fact that at Post Office, Shahdara, there is no messenger provided to effect delivery of telegrams; and

(f) if the replies from (b) to (e) be in the affirmative, the reasons therefor; and the minimum and maximum period taken by this process?

Sir Gurunath Bewoor: (a) The distance between the Head P. & T. Office, Delhi and Shahdara town is about 4½ miles.

(b) No. Under the rules, telegrams addressed to persons at Shahdara and received in the Head P. & T. Office, Delhi, are delivered by messengers of that office; but if a telegram is addressed to a person at "Delhi-Shahdara N. W." it is signalled to Delhi Main Railway Station Telegraph Office for onward transmission to Delhi-Shahdara N. W.

(c) Transmission by train is resorted to only when there is an interruption on the telegraph wires.

(d) Yes, but only if the addressee lives outside the limits of the railway station.

(e) Yes, because it is not a telegraph office.

(f) Does not arise, but I would in this connection invite the Honourable Member's attention to the reply I gave to his unstarred question No. 41 on 19th November, 1943.

DELAY IN DELIVERY OF CERTAIN MONEY ORDERS BY DELHI-SHAHDARA POST OFFICE.

117. **Mr. Muhammad Azhar Ali:** Will the Secretary of the Posts and Air Department please state if it is a fact that money orders for families of persons in Defence Services are delayed by the Delhi Shahdara Post Office; if so, the reasons therefor?

Sir Gurunath Bewoor: The reply to the first part is in the negative; the second part does not arise.

PUBLIC TELEPHONE AT DELHI-SHAHDARA POST OFFICE.

118. **Mr. Muhammad Azhar Ali:** Will the Secretary of the Posts and Air Department please state if it is a fact that the Public Telephone installed at the Delhi Shahdara Post Office for public calls is an extension from the telephone of the lineman which is the cause of great delay and interruption; if so, the reasons therefor?

Sir Gurunath Bewoor: The reply to the first part is in the negative. The latter part does not arise.

SCALES OF PAY, ETC., OF OUDH AND TIRHUT RAILWAY NON-GAZETTED STAFF.

119. **Mr. Muhammad Azhar Ali:** Does the Honourable Member for Railways propose to lay on the table of this Honourable House a statement showing the grades and scales of pay of the Non-Gazetted Staff including Workshop staff on the Oudh and Tirhut Railway?

The Honourable Sir Edward Benthall: The scales of pay now prevalent on the O. & T. Railway are those which obtained on the B. and N. W. and R. and K. Railways. The available information in respect of the scales of pay on these Railways is contained in their Establishment Rules, copies of which are in the Library of the House.

NON-SUPPLY OF HOT WATER FOR BATHING AT DELHI RAILWAY STATION WAITING ROOMS.

120. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Railways please state:

(a) if it is a fact that hot water for bathing was used to be made available to the travelling public at Waiting Rooms at the Delhi Railway Station; and

(b) if it is a fact that it is not now made available from November, 1943, or thereabout; if so, the reason therefor?

The Honourable Sir Edward Benthall: (a) and (b). I presume the reference is to hot water for baths. This has always been, and still continues to be,

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

ACCIDENTS TO TRAVELLING PUBLIC BETWEEN DELHI AND GHAZIABAD.

127. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please lay on the table of the House a comparative statement of rail and road traffic showing the number of accidents which occurred during the years 1942 and 1943 between Delhi and Ghaziabad, and the causes for such accidents?

The Honourable Sir Edward Benthall: I regret I am unable to supply the information as the preparation of a comprehensive statement of rail traffic for two years over the section mentioned would involve an expenditure of time and labour which cannot be justified under present war conditions.

I understand no statistics of road traffic between these two points are maintained.

RESUMPTION OF INDIAN DINING CAR SERVICE ON EXPRESS TRAINS.

128. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please state the approximate date by which the North Western Railway Administration will re-run Indian Dining Cars or Buffet Compartments with the Bombay—Peshawar Express Trains (No. 57 Up and No. 58 Down) between Delhi and Lahore?

The Honourable Sir Edward Benthall: I regret that I am unable to give even an approximate date. The Dining Cars were removed from Nos. 57 Up and 58 Down trains between Delhi and Lahore to make room for an additional bogie third class carriage to mitigate the serious overcrowding on these trains, and their restoration must depend upon the return of more normal conditions.

CONSOLIDATED OR PERMANENT TRAVELLING ALLOWANCE TO TICKET EXAMINER ON CERTAIN RAILWAYS.

129. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please refer to the information given on the 14th September, 1942, in reply to unstarred question No. 15, asked on the 16th February, 1942, regarding State Railway Staff given consolidated or permanent travelling allowances (page 43 of the Debates) and state:

(a) if it is a fact that the rate of consolidated or permanent travelling allowance paid to Ticket Examiners on the North Western, Bengal and Assam and East Indian Railways is uniform; if not, the reasons therefor;

(b) the principle, criterion or consideration on which the said rate of the said allowance was calculated or based; and

(c) whether Government propose to make the rate of the said allowance uniform on those Railways, and to remove the discrepancy with regard to the same category of staff on State-managed Railways; if not, why not?

The Honourable Sir Edward Benthall: (a) No; it is not the policy of Government to enforce uniformity in matters of this kind.

(b) The grant of this allowance is governed by rules contained in paras. 211 to 214 of the State Railway Establishment Code Vol. I, a copy of which is in the Library of the House.

(c) No, as conditions and methods of operation differ on each Railway.

DIFFERENCE IN PAY OF PERSONAL ASSISTANTS ON NORTH WESTERN RAILWAY.

130. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please refer to the reply given to unstarred question No. 1, asked on the 8th November, 1943, regarding Personal Assistants to Station Masters on the North Western Railway (page 22 of the Debates), and state the reasons for the difference in pay of Personal Assistants appointed, and of the Assistant Station Master utilised as Personal Assistant at Delhi when the nature of duty is the same? Do Government propose to remove the difference; if not, why not?

The Honourable Sir Edward Benthall: The General Manager considers that the rates of pay sanctioned are adequate for the particular posts. The reply to

the second part is in the negative, for the reason that the matter is within the discretion of the General Manager.

ELECTRIC MISTRY WIREMEN OF QUETTA DIVISION RELEASED FROM SERVICE.

131. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please refer to Railway Board's letter No. E 42 WA 2199/2, dated the 18th June, 1943, regarding release of technical personnel employed on railways, and state the number of electric mistry wiremen of the Quetta Division on the North Western Railway, who were released from service since the 1st July, 1943, and the reasons therefor?

The Honourable Sir Edward Benthall: None; the latter part does not arise.

NON-PAYMENT OF COMPENSATION FOR BOOKED LUGGAGE UNDER CERTAIN MILITARY WARRANT FROM LULMANIR HAT TO DELHI-SHAHDARA.

132. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please refer to Rule 11 of the Military Traffic Rules regarding luggage carried at Government risk, and state the reasons for not yet paying compensation to widows of the personnel of Defence Services who booked luggage under Military Warrant No. 938409 from Lulmanir Hat to Delhi-Shahdara on Way Bill No. 187480, dated the 23rd May, 1942, and the non-payment has caused discontentment amongst the family of war servants?

The Honourable Sir Edward Benthall: It would appear that the question should have been addressed to the War Department. I have no information regarding the case referred to, but will have enquiries made.

HARASSMENT TO PUBLIC DUE TO NON-SUPPLY OF WAGONS FOR PERMITTED ARTICLES

133. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please state if it is a fact that the Anti-Corruption Staff have detected more than one case of harassment to public due to non-supply of wagons for permitted articles? If so, what arrangements have been made to avoid harassment? If not, why not?

The Honourable Sir Edward Benthall: Yes. As regards the second part, it is hoped that the activities of the Anti-Corruption Staff will result in some improvement. The third part does not arise.

OLD SCALE OF PAY GIVEN TO MR. A. J. DORAN AND OTHERS RE-EMPLOYED AFTER RETIREMENT.

134. Mr. Kailash Bihari Lal: Will the Honourable the Railway Member please refer to the reply to starred question No. 239, asked on the 6th August, 1943, regarding scale of pay of a Gazetted public officer allowed leave out of India prior to retirement (page 482 of the Debates) and state the justification for giving old scales of pay to officers who re-joined service after retirement on the dates mentioned in the question, for instance, please see the entries against Alfred John Doran on page 219 of the History of Services of Officers of the Indian State Railways corrected up to the 1st July, 1941?

The Honourable Sir Edward Benthall: The justification for giving old scales of pay to officers who are re-employed after retirement in accordance with the terms laid down in Railway Board's letter No. E41WA 272/2, of the 2nd October, 1941, a copy of which was laid on the table of the House in reply to Mr. Muhammad Azhar Ali's unstarred question No. 36 asked on the 6th March, 1942, was the extreme shortage of officers with railway experience owing to the release of officers for war service with other Departments of the Government of India. The case of Mr. A. J. Doran, to which the Honourable Member refers, was not, however, a case of re-employment of a retired officer, as Mr. Doran has never retired from railway service.

GUARDS QUALIFIED BY DIVISIONAL TRANSPORTATION OFFICERS AND THOSE FROM THE WALTON TRAINING SCHOOL, LAHORE.

135. Sardar Sant Singh: (a) Will the Honourable the Railway Member be pleased to state the distinctions between the two categories of Guards, (i) locally qualified by the Divisional Transportation Officer; and (ii) qualified from the Walton Training School, Lahore?

supplied on demand to first and second class passengers in the waiting and retiring rooms at Delhi Main Station on payment of two annas per bucket.

FULL CAPACITY RESERVATION IN TRAINS AT DELHI RAILWAY STATION.

121. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state:

(a) if it is a fact that all the seats are reserved in each train leaving or originating from Delhi for passengers holding first and second class tickets;

(b) if it is a fact that neither room for passengers boarding trains *en route* is left nor any intimation that no room for passengers *en route* is available is given to the travelling public; and

(c) the procedure prescribed for the travelling public to have their seats reserved from stations *en route* whenever permission to sell tickets in advance as in the case of Delhi station is not given?

The Honourable Sir Edward Benthall: (a) Due to restricted train services and heavy demands for upper class accommodation most of the first and second class accommodation in trains leaving or originating from Delhi is normally reserved, in advance, at the request of passengers—(i) travelling from Delhi; and (ii) arriving by other trains to continue their through journey.

(b) No room in trains leaving Delhi is specifically set aside for road-side passengers. It is not practicable to advise stations ahead of the amount of accommodation available.

(c) Attention of the Honourable Member is drawn to Rule 91 of the Indian Railway Conference Association Coaching Tariff No. 14 in force from 1st May, 1943, a copy of which is in the Library of the House. As explained in that rule the reservation of berths from intermediate stations cannot be assured especially under present conditions.

TRAINS BETWEEN DELHI AND GHAZIABAD.

122. Mr. Muhammad Azhar Ali: Does the Honourable Member for Railways propose to lay a statement on the table of this House showing:

(a) the number of trains between Delhi and Ghaziabad run by the East Indian and North Western Railways, separately, during the preceding six months;

(b) the number which stops at Shahdara;

(c) the total number of passengers carried by each train;

(d) the total number of tickets collected at Shahdara from each train;

(e) the total number of monthly ticket holders in each month; and

(f) the justification for not stopping at Shahdara each and every train which is passing through it?

The Honourable Sir Edward Benthall: (a) and (b).

	East Indian Railway.			North-Western Railway		
	Up trains Delhi to Ghaziabad.	Down trains to Delhi.	Total No. of trains.	Up trains Delhi to Ghaziabad.	Down trains to Delhi.	Total No. of Trains.
Total No. of passenger trains between Delhi and Ghaziabad run by the East Indian Railway and North Western Railway separately during the preceding 6 months (September, 1943 to February, 1944)	1,274	1,274	2,548	1,220	1,220	2,440
Total No. of above which halted at Delhi Shahdara.	728	728	1,456	1,038	1,038	2,076

(c), (d) and (e). The information is not readily available.

(f) It is not the function of fast long-distance trains to cater for purely local traffic between stations a few miles apart.

ACCIDENTS TO TRAVELLING PUBLIC BETWEEN DELHI AND GHAZIABAD.

123. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state:

(a) the number of accidents to the travelling public reported during the preceding two years at and between Delhi and Ghaziabad, by road and by rail, separately;

(b) the causes of the accidents; and

(c) the preventive measures taken against their recurrence; if not, why not?

The Honourable Sir Edward Benthall: (a) I presume the Honourable Member is referring to accidents to the public travelling by rail and to accidents to travellers by road in which the railway was involved. I am informed that there were 8 accidents between Delhi and Ghaziabad in 1942 and 12 in 1943.

(b) I understand that all these accidents were due to passengers jumping or falling from compartments or footboards of running trains.

(c) Every endeavour is made to prevent passengers from travelling on footboards but success cannot be assured owing to lack of co-operation by passengers themselves.

BUSES FLYING IN DELHI AREA.

124. Mr. Muhammad Azhar Ali: (a) Will the Honourable Member for Railways please state the number of buses plying on hire daily during the preceding six months:

(i) between Imperial Secretariat, New Delhi, and Kashmeri Gate, Delhi,

(ii) between Fountain and Timarpur,

(iii) between Fountain and Cantonment, Okhla and Mehrauli, and

(iv) Fountain and Shahdara?

(b) What is the distance between those places for the journey of a bus, separately?

(c) What is the daily average number of passengers during the preceding six months travelling between those places, separately?

The Honourable Sir Edward Benthall: (a) (i) 4, (ii) 6, (iii) 3, 2 and 2 respectively, and (iv) 2.

(b) (i) 3.7 miles, (ii) 4.9 to 5.6 miles farthest limit, (iii) 13, 10 and 13 miles, respectively, and (iv) 4.5 miles.

(c) (i) 920, (ii) 1,406, (iii) 278, 197 and 143, respectively, and (iv) 254.

INSTRUCTIONS FOR PREVENTION, ETC., OF EMBEZZLEMENTS BY RAILWAY SERVANTS.

125. Hajee Chowdhury Muhammad Ismail Khan: Does the Honourable Member for Railways propose to lay on the table of the House the instructions issued by Government for detection, dealing and prevention of frauds and embezzlements of Government money by Railway servants? If no instruction has been issued, what are the reasons therefor?

The Honourable Sir Edward Benthall: The instructions issued by Government are embodied in State Railway Codes and the attention of the Honourable Member is invited to Chapter XVIII of the State Railway General Code, Volume-I, and paras. 371 to 375 of the State Railway Code for the Accounts Department, Part I, copies of which are available in the Library of the House.

NON-PAYMENT OF OFFICIATING ALLOWANCE TO CERTAIN SPECIAL TICKET EXAMINERS ON NORTH WESTERN RAILWAY.

126. Hajee Chowdhury Muhammad Ismail Khan: Will the Honourable Member for Railways please state the rule prohibiting or excluding the Special Ticket Examiners on the North Western Railway, who have elected the scales of pay of the old Travelling Ticket Examiners, from eligibility for officiating allowance during the period they officiated in the post of the Headquarters Inspector of Special Ticket Examiners?

The Honourable Sir Edward Benthall: (a) Yes.

(b) No. But instructions have been issued that this concession be allowed to staff.

(c) The procedure on class I railways was not uniform. They have, however, been asked to make suitable provisions in their Rules, where such do not exist, allowing these concessions to their staff.

REPRESENTATION OF MINORITY COMMUNITIES IN ESTABLISHMENT BRANCHES OF RAILWAYS.

109. Mr. Lalchand Navarai: (a) With reference to the Honourable the Railway Member's reply to part (b) of my unstarred question No. 22, asked on the 30th July last, in regard to fixation of percentage of representation of minority communities in 'Establishment Branches' of a Railway, will the Honourable Member be pleased to state whether it is a fact that the 'Establishment Branch' in a Divisional or other offices of the North Western Railway system does not comprise a 'division of service' under rule 5 of the Supplementary Instructions to the Government of India, Home Department resolution of the 4th July, 1934?

(b) Is it a fact that office clerks in Grade I, to which direct recruitment is made are borne on common seniority list for all Sections of the office? If so, why is it insisted to provide 50 per cent of posts for the members of a certain minority community in the Establishment Branch, which are not a separate unit, or division of service?

(c) Is it a fact that the higher percentage of the members of minority communities in 'Establishment Branches' is secured even by transfer of existing members of other communities? If so, under what rule is this course permissible?

(d) Do Government propose to cancel the orders of communal reservations in the Establishment Branches? If not, why not?

(e) What instructions have Government issued or propose to issue to check preponderance of members of the minority communities in units of service on Railways? If not, why is this discrimination only confined to the members of the majority community on the North Western Railway?

The Honourable Sir Edward Benthall: (a) Yes, but the orders of the Railway Department are not opposed to the orders quoted.

(b) Government have no information regarding the first part but are prepared to accept the statement of the Honourable Member. As regards the second part, the Honourable Member is referred to the reply to the second part of part (a) of his unstarred question No. 22 asked on the 30th July, 1943.

(c) Government are not aware that transfers are made specially for this purpose; as regards the second part, transfers are within the discretion of administrations.

(d) No, for the reason explained in the reply to part (b).

(e) Government's instructions are intended to secure the representation of minority communities to the extent prescribed. They do not accept that this will result in the preponderance of such communities in the service except on the N. W. Railway, on which Railway such preponderance would be justified by the population ratio of the communities in question.

LESS NUMBER OF ENGINES REPAIRED IN RAILWAY WORKSHOPS.

110. Mr. Lalchand Navarai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that in the unofficial note by the Director of Information bearing his No. F. 64/9/43, dated the 18th January, 1944, on Railway Workshops, it was mentioned that the average number of broad gauge engines laid off for repairs during 1942-43, was nearly 130 less than the corresponding pre-war figure?

(b) Was this reduction due to better working or owing to lack of necessary parts and material? If it was due to the latter cause, what steps do Government propose to take to remedy this position?

(c) Is it a fact that only one gauge glass is used in engines against the minimum complement of three during pre-war days? If so, are the engine crew given consideration for this handicap, in case of failure or mishap?

(d) If the reply to first portion of (c) above be in the negative, what is the minimum complement of gauge glasses provided in engines now? Is it a fact that the Divisional Superintendent, North Western Railway, Karachi, had asked the Loco. Foremen on the 25th September, 1943, to fit in more gauge glasses? If so, how are the different replies reconciled?

The Honourable Sir Edward Benthall: (a) Yes.

(b) To better working.

(c) No; locomotives have never been fitted with 3 gauge glasses.

(d) *1st part:* The standard complement of gauge glasses on Indian Railway locomotives is two; U. S. A. locomotives designed to meet War requirements have one gauge glass only. None of these engines is in use on the N. W. Railway at present.

2nd part: The Railway Department have no information.

ENGINE TROUBLES ON NORTH WESTERN RAILWAY.

111. Mr. Lalchand Navarai: Will the Honourable Member for Railways be pleased to state if his attention has been drawn to a letter appearing in the issue of the *Railway Herald* of Karachi, dated the 15th November, 1943, on the causes of engine troubles on the North Western Railway? If so, does he propose to make a statement as to what steps have been taken to put things right? If no steps have been taken, why not?

The Honourable Sir Edward Benthall: Government have now seen the publication in question. The matters raised in the article in that publication are within the competence of the General Manager; Government does not propose to make any statement in this respect.

PAY, ETC., OF TELEPHONE MISTRIES.

112. Mr. K. C. Neogy: (a) Will the Secretary for Posts and Air please state whether it is a fact that temporary telephone mistries are drawing Rs. 60 per month whereas permanent hands get only Rs. 40 per month? If so, why?

(b) What are the duties of telephone mistries and of telephone supervisors? Are they interchangeable? Is it a fact that in Exchanges, the telephone supervisor often gets the entire work done by telephone mistries?

(c) What were the old scale of pay of telephone mistries, their duties and designation? What are the reasons for reducing the time scale without a corresponding reduction in duties and hours of work?

(d) Do Government propose to take any action to better the pay and prospects of these technical employees, to bring them on a par with similar personnel in other Departments?

Sir Gurunath Bewoor: (a) In Delhi, Simla and Ambala, where the revised scales of pay of telephone mistries are Rs. 40-3-91-95, Rs. 40-3-91-95 and Rs. 30-3-81-85, respectively, employment of temporary mistries on a daily wage of Rs. 2 has been permitted in view of the difficulty in obtaining suitable men on the prescribed scales for temporary employment.

(b) Engineering Supervisors, Telephones, to whom the Honourable Member is apparently referring, are responsible generally for the efficient working of all telephone lines and offices under their charge and for the supervision of the staff under their control. Telephone mistries are mechanics employed on minor technical duties such as installation of exchanges and repairing and fitting of telephone instruments and equipment; they work directly under Engineering Supervisors. The replies to the second and the last parts of the question are in the negative.

(c) The old scales of pay of telephone mistries are given in para. 87 of the Manual of Appointments and Allowances of the offices of the Indian Posts and Telegraphs Department (second edition), a copy of which has been placed in the Library of the House. The duties of telephone mistries on the old scale are the same as those of telephone mistries on the revised scales. Officials of the mistry class were previously designated as mechanics, assistant mechanics and mistries, but all these designations have been replaced by the single

[Mr. President.]

As regards the time-limit for speeches, I suggest that, as usual, the Mover of cut motions will have twenty minutes, and the Government Member replying will have twenty minutes or even more, if necessary. Other speakers will be limited to fifteen minutes.

I take it that this will suit Honourable Members.

Mr. Hooseinbhoj A. Lalljee (Bombay Central Division: Muhammadan Rural): Sir, notices of some more cut motions have been given by the Independent Party and we want to get them within the period allotted to us.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable Member given notice of them to the Government Member?

Mr. Hooseinbhoj A. Lalljee: I have given them to the Secretary.

Mr. President (The Honourable Sir Abdur Rahim): They will be circulated in due course.

DEMAND No. 12—EXECUTIVE COUNCIL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I beg to move: "That a sum not exceeding Rs. 2,35,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945 in respect of 'Executive Council'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved: "That a sum not exceeding Rs. 2,35,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945 in respect of 'Executive Council'."

No confidence in the Government.

Mr. Abdul Qaiyum (North-West Frontier Province: General): Sir, I move: "That the demand under the head 'Executive Council' be reduced to Re. 1."

This is a motion for the refusal of supplies. One thing is very clear from the record of the present Executive Council, namely this, that they can at least claim consistency in having flouted public opinion in this country throughout the period that these Executive Councillors have been in office. Of course, they are there not as representatives of the people of India but as nominees of British imperialism to carry out the policy which is laid down for this country by Whitehall. It is not a matter of surprise therefore that this Executive Council has taken delight in flouting public opinion time without number on very important matters. Their masters in Whitehall are not tired of telling us that they are willing to hand over power to the people of India if only the majority parties in this country can come to terms among themselves. That is the principle laid down by British imperialists at Whitehall, but we have seen that in practice even this principle, which has been broadcast throughout the world, has not been observed. There have been occasions in this House when the Congress Party, the Muslim League, the Nationalists and almost all the elected Members who represent the masses of this country have taken up a certain definite line of action and have recorded their decision in clear and unmistakable terms. Now, if you are at all sincere in your professions . . .

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better address the Chair.

Mr. Abdul Qaiyum: If the Executive Councillors are at all sincere, if the Government is at all sincere in its professions that they are quite willing to carry out the combined wishes of the various parties that exist in this country, may I know what has been the response of the Government of India to the refusal by this House to agree to a rise of 25 per cent. in the railway fares? What has been the response? We have been told today by the Honourable the War Transport Member that they are still considering the matter. Why should you take such a long time to consider the matter? The House has recorded its vote in clear, unmistakable, and unambiguous terms, and you yourself have been taking considerable pains in stating that you are only too willing to respond to the joint demand of the various Parties in this House; what has been your response?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better address the Chair.

Mr. Abdul Qaiyum: Here let me turn to the Honourable the Leader of the House who is in charge of the Department of Broadcasting and Information. May I know what his department has done? We the elected Members of this House censured the Government in clear terms and warned them not to send out propagandists from this country to misrepresent the Indian masses and Indian nationalism abroad. The House recorded its vote in very clear terms, what was the response? We know that the Government of India is not a responsible Government, but we at least expect them to respond to the wishes of the House when there is a unanimity on that point. In spite of a clear decision of this House, the Honourable the Leader of the House and the Government of which he forms a part, decided to send out propagandists. In spite of his assurance that they will not discuss or touch political matters, we have been receiving reports in this country that they have not only been discussing political matters, but that they have been misrepresenting the principles and the ideals for which the various political parties stand in this country. These things are clear indications of the fact that all those assertions, that we are quite willing to go ahead if only the people of India would unite, are only idle talk. In fact, the Government of India is bent upon carrying on against the wishes of the people and in spite of them and on flouting their wishes whenever it suits them.

Now, let us examine the record of the Government of India. What has been their record? There is not the slightest doubt that corruption is the order of the day. It is rampant throughout in such departments as Food, Supply and allied departments also, and the entire country is convinced that anybody and everybody—barring a few exceptions—even the highest people included, have a price, that only money can help people to win their way in those departments. What has the Government of India done about corruption? The law about corruption in this country which has been framed by this Government is the most immoral amongst laws. You have made it impossible for anybody, even your police, to detect people who are corrupt and it is specially so in the case of officers and very high officers. I do not see why the Executive Councillors and even popular ministers in the provinces should not be tracked and brought to justice if they are really found to be corrupt. What is the law? You have put

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better address the Chair.

Mr. Abdul Qaiyum: I obey you, Sir.

Mr. President (The Honourable Sir Abdur Rahim): I do not want to share the blame, of course.

Mr. Abdul Qaiyum: Now Sir, they have got a very efficient police force in this country. They have got their C. I. D.—Criminal Investigation Department. Whenever we have an occasion to travel, we find that we are followed by three or four of them and so anxious are they to know about our movements that they tell us that they are even prepared to do small jobs for us—posting of letters, and things like that—if only they are able to know what we are going to do. You have got men to track us to the remotest parts of India. Why cannot the Government of India have a special department of their own to deal with officials, many of whom—specially in the departments dealing with Food and Supply and the issuing of export and import licences—are known to be corrupt? Why cannot they appoint men to hound these people to follow them? Why do they not reform the law of corruption, so that these people can be brought to book and the bane of corruption is removed from those Departments? The answer will be, "it is a very general sort of talk; we cannot do that; there must be some positive suggestion from this side". Now, when you are tracking down people and when you are putting thousands of them in detention without trial—and you depend upon your C. I. D. for this purpose—why cannot you employ C. I. D. for tracking down corrupt officials?

As far as appointments to Government services are concerned, Sir, the record of the Government of India is even more black. Appointment to Government service is not based on merits or qualifications. It is based on

(b) Is it a fact that the Guards of both categories mentioned above perform the same duties and are held responsible in each respect for the duties mentioned in the General Rule Book?

(c) Are the 25 Trains Clerks and Ticket Collectors who were promoted as Guards, *vide* Divisional Superintendent, Lahore, letter No. 757-E/68/P1, dated the 7th April, 1941, still waiting for confirmation?

(d) Is it a fact that some of the Guards, *vide* D.P.O., Lahore, letter No. 941-E/124/P1, dated the 4th June, 1942, were reverted to their substantive posts? If so, what was the reason for their reversion?

(e) Is it a fact that they were continuously Guards for more than one year and gave satisfaction to their officers?

(f) Is it a fact that the D.P.O., Lahore, has promoted fifteen Trains Clerks and Ticket Collectors, *vide* his letter No. 757-E/68/P1, dated the 2nd August, 1943, as Guards?

(g) Is it a fact that some of them have not even been confirmed in their own categories, and preference has been given to them over the staff promoted by the D.P.O., Lahore, *vide* letter No. 757-E/68/P1, dated the 7th April, 1941?

(h) Does the Honourable Member propose to consider the cases of the staff waiting for confirmation as Guards, as their seniority has been ignored, *vide* policy laid down in the General Manager, Lahore, letter No. 757-E/38/1 (paragraph 1), dated the 20th May, 1930, to all Divisional Superintendents?

The Honourable Sir Edward Benthall: (a) (i) and (ii). Certain staff are tested by the Divisional Transportation Officer and passed as fit to be utilized as Guards in emergencies and when staff who have qualified in the Walton Training School are not available. The staff who qualify in the Walton Training School do so after undergoing the prescribed course.

(b) Yes.

(c) Some who subsequently qualified from the School have been confirmed, some are still officiating and some who failed to qualify from the School have been reverted.

(d) Yes, when fully qualified men became available.

(e) This may be a fact though details are not readily available.

(f) Yes.

(g) The reply to the first part is in the affirmative; staff who are not fully qualified are utilized in emergencies and men most readily available are put to work as Guards.

(h) There is no evidence that any irregularities have occurred in the confirmation of fully qualified men.

MOTIONS FOR ADJOURNMENT.

SPECIAL ALLOWANCE TO BRITISH JUNIOR MARRIED OFFICERS IN INDIA.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice from Mr. Avinashilingam Chettiar that he wishes to move the adjournment of the House to discuss a definite matter of urgent public importance, namely, the proposal of the Government of India to grant a special allowance to British junior married officers in India as announced by the Secretary of State for India in the House of Commons (*Hindustan Times*, dated 10th March, 1944).

Have Government any statement to make on this?

Mr. O. M. Trivedi (Secretary, War Department): Sir, I have no objection to this motion but I suggest that it is for the House to decide whether it would like the time allotted for cut motions to be devoted to a discussion of this adjournment motion. I also venture to suggest to my Honourable friend, Mr. Chettiar, that he can raise this matter either by asking a question which I shall be delighted to answer or during the debate on the Finance Bill.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Will the Honourable Member accept a short notice question?

Mr. O. M. Trivedi: I shall be pleased to accept a short notice question.

Mr. T. S. Avinashilingam Chettiar: In view of that and without prejudice

to my claim to bring it up again after the information is given by the Honourable Member, I do not press it now, but will take my chance again.

Mr. President (The Honourable Sir Abdur Rahim): No, the Honourable Member cannot bring it up again.

DEMAND AND EXACTION OF ENHANCED EXCISE DUTY AT CALCUTTA, GONDIA AND DELHI ON DUTY-PAID TOBACCO.

Mr. President (The Honourable Sir Abdur Rahim): I have also received notice of a motion from Mr. A. C. Dutta, who wishes to discuss "the illegal and oppressive demand and exaction in Calcutta, Gondia and Delhi by Excise officers of duty on tobacco at enhanced rates proposed in the Finance Bill even on tobacco, for which duty had already been paid on or before the 29th February, 1944, and the refusal of the permit to remove tobacco from the private warehouses and the sealing thereof in spite of such payments until the payment of difference between the existing and the proposed enhanced rates is made".

I should like to know whether Government have anything to say on this. **The Honourable Sir Jeremy Raisman** (Finance Member): Sir, I shall have to give a very short explanation of what the procedure is at the end of the financial year when changes may take place. The position is that at that time there is a special procedure to enable a special record to be kept of clearances so that they can be audited. It is necessary to be able to know with certainty what goods were cleared before the time when the new duty became recoverable and what after that time. Special instructions were issued in regard to that, but we have reason to believe that owing to the inexperience of some of the staff some mistakes were made. We are looking into that matter and I am prepared to assure the Honourable Member that in any case in which clearance of goods was held up by a mistake of this kind Government will be prepared to give relief. I suggest, Sir, that the point is not one which can usefully be discussed in the House; it is a matter of administrative adjustment.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Sir, personally I should like to move the motion and get an assurance from the Honourable Member.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has given that assurance now and in view of that the adjournment motion is not called for.

THE GENERAL BUDGET—LIST OF DEMANDS.

Mr. President (The Honourable Sir Abdur Rahim): The House will now discuss the Demands for Grants.

The Chair understands that all the Parties and the Unattached Members have agreed to the following time-table:

Today has been reserved entirely for the Congress Party. According as time permits, they will move cut motions Nos. 20 and 90 in the Final List.

Tomorrow has likewise been reserved entirely for the Muslim League Party. According as time permits, they will move cut motions Nos. 129, 99, 124 and 182 in the Final List.

On Wednesday, the 15th March upto 1-15 p.m. the time has been given to the Independent Party, who will move cut motions No. 8 on the Final List and No. 9 on Late List No. 1.

From 2-30 to 5 p.m. on Wednesday, the time will be at the disposal of the Nationalist Party. They will first move cut motion No. 16 on Late List No. 1, and then if time permits they will move cut motions Nos. 85 or 147 or 154 in the Final List.

On Thursday, the 16th March the time upto 3 p.m. has been allotted to the European Group, who will move cut motions Nos. 120 and 76 in the Final List.

Lastly from 3 to 5 p.m. on Thursday, the 16th March, the time will be at the disposal of the Unattached Members. The cut motions selected by them are Nos. 24 or 146 and 127 or 148 in the Final List.

[Mr. Abdul Qaiyum.]

favouritism, on *sifarish*. Even the highest officials in Delhi, I know, do not hesitate; they do not feel that there is anything wrong about it, to put their own relations and friends into the places for which they are not suited at all. The Government of India certainly cannot be unaware of all that is going on. What have they done in this respect? Inefficiency and incompetence is the order of the day as far as the recruitment to Government services are concerned.

Regarding the Department of Information and Broadcasting, I wish that the Honourable the Leader of the House had selected some other Department for his activities. Now this department one can say without

The Honourable Sir Sultan Ahmed (Leader of the House): What department do you suggest?

Mr. Abdul Qaiyum: The Department of Information and Broadcasting and all the rest of it, which is retailing lies in season and out of season. Now that department is the sworn enemy of Indian nationalism. They are welcome to say anything they like about Japan, that Japanese are very cruel to the people, they cut off their heads and hang people in the streets, and so on. Sir, people in India are sick and tired of this foreign Government; they are the last people in the world to welcome any foreigners; they do not want Japanese. But why have you declared war on Indian nationalism? Why has this department become the sworn enemy of Indian nationalism? By all means carry on your anti-axis propaganda. You are fighting a war, and every day more taxes are being piled on the people, but why should this war be carried on against Indian nationalism?

Dr. G. V. Deshmukh (Bombay City: Non-Muhammadan Urban): Why no propaganda is carried on against Germany; why only against Japan?

Mr. Abdul Qaiyum: Let us then come to the Bengal famine. We have talked a lot in this House about the Bengal famine and the Government of India have got used so much to hearing this talk that they feel that nothing can happen and that everything is all right in Bengal, that after all the millions of people who are dead will not come back to life and they will not speak and the matter is ended. In any other democratic country, a Government could not have lasted for more than twenty-four hours if it had a black record of incompetence, inefficiency and maladministration of which this Government, the Central Government, is guilty. Millions of our people are dead and millions more are condemned to lead a life of semi-starvation and the only prospect for them is that some sort of disease will come and put an end to their agony, the agony for which the Government of India are responsible.

In the matter of prices and price control also,—I am briefly touching the various important omissions; in fact, the crimes and omissions of the Government of India are so many that it will take days to recount them and to discuss them,—in the matter of inflation and soaring prices, there also the Government of India have failed. They are responsible for inflation and now they come up to this House and ask our support to measures which are intended to put a stop to the very inflation for which they are responsible. The prices have risen so high that it is beyond the reach of an ordinary poor person to buy even the necessities of life.

Here let me turn to the Honourable the Home Member. But let me first say that as far as the Honourable the Home Member and the other British Members of this particular Executive Council are concerned, I am not so very much against them as against the Indian Members. I will frankly say so.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Why this partiality?

Mr. Abdul Qaiyum: I will give you the reason. The British Members are loyal to their country. They stand for England first, and even though they are receiving their salaries from the Indian taxpayer, even though they have to spend the best part of their lives in this country, they have not forgotten their first love, namely, England. They are true to the interests of England first, and then India, if at all India finds a secondary place in their love and affection. That is the reason why I have respect for these gentlemen. But

I wish I could say the same thing about the Indian members. About the Indian members, apart from other things, they have not even learnt the simple lesson from their British colleagues, that they should put India first, like the Britishers do with England. This they have not done and whenever there has been a conflict of interests between Great Britain and this country, the Indian members quietly put their tails down, their heads are lowered, and they say 'yes' to any measure which is brought forward, whether it be a 25 per cent. increase in railway fares, whether it is detention without trial of thousands of people for an indefinite time. They say 'yes' whether it concerns the arrest or detention of Mahatma Gandhi, who commands the love and respect of millions of people in this country. The Indian Members of the Executive Council have not learnt this simple lesson. Of course, they do not represent India! They cannot even risk facing a public meeting in their country. I challenge them to come out and fight any elections. The world which is supposed to be fighting for democracy will know who these gentlemen are. They do not love India but themselves. In their case, self-interest comes first and the country unfortunately comes afterwards. I have really begun to entertain very serious doubts about the system of education in this country. In spite of the highest education that these gentlemen have received, in spite of the fact that they are very learned, that they can argue beautifully; in spite of these accomplishments, they miss one elementary principle of patriotism—that one's country should come first and self afterwards.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Hear, hear!

Mr. Abdul Qaiyum: I am about to refer to the Honourable the Supply Member.

Dr. P. N. Banerjee: Do not refer to any individuals.

Mr. Abdul Qaiyum: I have only five minutes left and I want to say a few words about the composition of the Executive Council. We have been told that as soon as the war ends India will gain perfect freedom and even the right to walk out of the British Empire if we wish it. But yesterday I was interested to read in the *Dawn* that the Honourable the Supply Member has been given an extension for five years whereas the Honourable the Finance Member has been given an extension only for one year. I know that the services rendered by the Supply Member are such that if I were an employer I would go on giving him extensions. This extension is in conflict with the professed intentions of England that they are willing to confer freedom on India as soon as the war is over; it means that history is going to repeat itself and we are going to have the same things enacted in this country which happened after the last war.

Now, this particular Executive Council is a hybrid. It is a monster production, the result of an illicit love affair between British Imperialism and Indian vested interests; between British imperialism, British finance, British vested interests on one side, and Indian landlordism, Indian monied classes and such Indians who think more of self than of country on the other side. These two classes of persons, if I may be permitted to say so, had a runaway marriage and the present Government of India is the monster production. The hybrid is the result of this illicit love affair. These two interests are poles as under; yet even 5,000 miles of water and land could not separate them. Such was the power of this love!

It does seem to me that if the Government is to be compared to a body, there are so many holes in it that really in these days when production is at a low ebb and everything is required for the war effort, you need ever so many plugs to stop up these holes. Now, I have only ten fingers and I can only stop up ten holes which are in the Government of India, but we need so many plugs to stop up all these holes which are so patent and so obvious. But they carry on as merrily as they can, one thing is clear that the people of this country—it is a very very hopeful sign—have lost all faith in British words and British promises.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Mr. Abdul Qaiyum: They are only meant to make fools of people so that they can tide over some difficulty and as soon as the crisis is over they know how to whittle down those promises and reduce them to mere nothing.

With these words I conclude my speech. I commend it to the House. I hope that all the elected Indian Members will vote for this cut motion. As far as the European Members are concerned, I do not want to say anything. They have mortgaged their conscience to the Government of India: as far as the 39 nominated Members, they are just dummies, if I may be permitted to say so. The salaries and things which they get are also impeding the war effort. They should be sent out to do some recruiting work, to manufacture plugs and do some such useful work instead of dosing in the lobbies.

Sir, I conclude and I hope the House will censure the Government.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Executive Council' be reduced to Re. 1."

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): I support the cut which has been moved by my friend, Mr. Abdul Qaiyum. I think it is time that this House should put on record and show to the world that the people are not satisfied with the sort of Government that has been thrust on them. The point on which I want to support this cut is to show that we do not agree and do not favour the kind of Government which is being forced on the Indian people from outside. I know, Sir, that from important high quarters a great compliment has been paid to certain individual Members of the Government. But I want to ask them how they call these people patriotic if they know that the country does not want them to be there. Patriotism will come if they know that there is a substantial element in the country which is ready to support them or to support a Government of this kind. I have been learning from the very beginning that the British Government is fighting for democracy and I uphold democratic institutions and I am convinced that democracy is the best means by which any form of Government should be run in any country, and that would be the most suitable Government for India. But is the present Government a democratic Government? Is the Government listening at all to the demand for democracy? It is the worst form of Fascism which is being practised in India. The present Government is not a democratic Government. In democracy it would have been found that this Government would have resigned a long time ago, but this is a Fascist Government and we know that they are miniature Hitlers and Mussolinis.

Dr. P. N. Banerjee: But they have no powers.

Sir Muhammad Yamin Khan: That is why I call them miniature.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): They are apologies of Hitler and Mussolini.

Sir Muhammad Yamin Khan: As my Honourable friend says, they are apologies for Hitler and Mussolini. Even if a semblance of democracy were there, then all the decisions, the vital decisions which affect India and the people of this country, ought to have been taken in the Executive Council. But most of the decisions which vitally affect the people are taken by the Head of the Department with the concurrence of his subordinate who is the Secretary. I was told that an Honourable Member of the Government along with the Secretary took a decision and he called it the decision of the Government of India. If the Government of India means only an Honourable Member, whatever he may be, and his permanent Secretary, who is a bureaucrat, who has got no love for India, who sees nothing for the benefit of Indians, who has got no regard for the sentiments of India—then that decision is taken by them and it is called the decision of the Government of India. Is it not a miniature form of Fascism preached by Hitler and Mussolini? Those decisions only which were taken after the vote of all the Members of the Government had been taken, can be called the decisions of the Government of India, and all other decisions would have been departmental decisions.

The Honourable the Railway Member said on the railway debate that extensions had been given to the railway employees and that was done on the decision of the Government of India. I asked him the question what he meant by the Government, and if it was the decision of the Executive Council. He said, "No. It was my decision". He wants to call himself the Government of India and his own decision as that of the Government of India! His own decision was probably arrived at on the recommendation of the people on whose advice he was working, but that was not the decision of the Government of India. If the present Government of India is being carried on in this manner I submit it is not a democratic institution, it has no semblance whatever to that kind of democracy for which Great Britain is fighting and for which Great Britain is asking us to fight on their behalf. We want to liberate India from Fascism. I am not a supporter of Fascism or Nazism; both these forms are detestable to me and I want to fight for democracy. Before you ask my support I want you to show that you are democratic in your ideas and that you have the right idea of giving democratic institutions to this country. This Government, as I have shown, is not being run on the democratic principle and is forced upon us in the name of the war. Everything is supposed to have got sanctity, simply because the war is on. In the name of sanctity of war we cannot allow a wrong thing to be called a right thing. This Government wants us to say that a thing which is wrong *ab initio* is a right thing, and some kind of sanctity is attached to this. I cannot support this idea at all.

I am constrained to refuse supplies to the present Government, and I think the best course for those who are in authority to form a Government is to invite those parties who are ready to work the constitution and are ready to carry on the Government, and not to keep those people who may appear to be patriotic from their point of view, but whom the country has denounced; it is no use thrusting them on the country any longer. This is my justification. I quite agree with my Honourable friend, Mr. Abdul Qaiyum, that when we find that an Englishman sticks to his post, to his idea, he is patriotic, —we want our men also to rise to the occasion and show to this Government that patriotism lies in this that they should not work against the views of the majority of the people of this country, and they should demonstrate this to the country by resigning their posts, and thus prove to the country their patriotism and that they are not ready to carry on the Government unless, of course, they are put in there by the very people who are now asking them to resign. There may be some of them who may be placed again in those positions, but it will be better for them to carry on the Government with the help of this side of the House, and not that side of the House. Those who sit on that side are given no chance to examine the questions which they are asked to support every day—these 39 votes on that side are people who have not got a single voice to say whether you are right or wrong. On occasions some of them are wondering whether they should support you if they were left free to vote as they liked. On many occasions I think they have voted simply because they were part of the system and they had no chance to examine whether you were right or wrong. If my friends on that side think that they are quite happy and are secure in their places their names will be written down the pages of history as people who were the cause of bringing down and keeping out the advance of this country.

One thing which I should like to bring to notice of the House on this occasion is this. Government of India last time sent 3 or 4 people from India to make propaganda tour to England. We felt suspicious about them whether they will represent this country properly at all. We thought that they would misrepresent this House, the country and India as a whole. But a lot of compliments were paid by the Honourable the Leader of the House and he said that these people while on tour would never do anything they had been asked not to do, but, as a matter of fact, they did everything against the very wishes of my Honourable friend, and did the very things which the

[Sir Muhammad Yamin Khan.]

Honourable Member had asked them not to do. Still the Government of India kept quiet. But when their attention was drawn to these gentlemen's activities, they failed to withdraw and call them back. If the Government wanted to show respect to this House, if they realised that they had committed a mistake, and when they found that they were not doing their duties properly but were exceeding their limits, the Government should have withdrawn them, but they did nothing of the kind. The Honourable the Supply Member, Sir Ramaswami Mudaliar, said, "I am responsible also for sending or recommending a few of them".

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I am afraid my Honourable friend is not quoting me correctly or representing me correctly. I never said that I was responsible for sending any of them at all. I said that I entirely agreed in the need for propaganda.

Sir Muhammad Yamin Khan: The Honourable Member has not denied that he was consulted and he was responsible. I can bring the book and show him that he takes some responsibility also for the selection of those members. If he took some responsibility in this matter, then he stands along with the Leader of the House in the same boat and why did he not order the recall of these people at once, when they went out talking politics, when they were told only to confine their activities to war efforts? They went about maligning parties and political institutions in India and misrepresenting them and trying to create an impression in England that the whole of India was opposed to the war effort excepting a few persons. That was their idea. They did not put the facts correctly before the British public. They did not tell the British public that the whole of India was for the war effort, provided certain conditions were accepted, provided the Government was changed. Instead, they indulged in politics and misrepresented this country to the bitterest end. I would not like to use the word 'toadies' but...

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not use that phrase.

Sir Muhammad Yamin Khan: This is the kind of members sent out to represent India by this Government the Indian Members of which stick to their places in spite of the great demand put forward that they should resign. They do not deserve any kind of monies supplied to them. I think the Assembly as a whole, all the elected Members and even the nominated Members (An Honourable Member: "No use".) will show that they are with India and they are not mere chaprasis to obey orders. Sir, I support the motion.

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadan Rural): Sir, I rise to support the motion moved by my Honourable friend Mr. Abdul Qaiyum, and in doing so, I would like members of the Treasury Benches, particularly the Indians, to realise that any attack that comes from this side on them is due to the fact that they are members of the Treasury Bench and not because of any personal feelings that we entertain against them. It has been said that this Executive Council does not represent the country. I do know what the constitutional position today is. So far as the Central Government is concerned, we are still functioning under the Act of 1919 and people of this country but what one would like to say at this moment is to give the lie direct to the propaganda that is being done in this country and elsewhere by highly placed persons that because of the fact that there is a majority of Indian Members in the Executive Council it thereby assumes a representative capacity—I believe the number is 11, though I could only count 10. I do not know whether they have anybody else hidden up their sleeves—I mean the Indians, unless Sir Edward Benthall also is an Indian.

Nawabzada Muhammad Liaquat Ali Khan: Non-Officials 11, Indians 10.

Mr. T. T. Krishnamachari: The difference is rather difficult to understand, unless there is a process of naturalisation available in this country and Sir

Edward Benthall puts in his naturalisation papers. Anyway, Sir, it is sought to be made out by highly placed people in this country and elsewhere that these Indians who are associated with the Government represent the views of the people and therefore it is a Government which enjoys in a large measure the confidence of the people of this country, notwithstanding the asseverations of various parties in this country to the contrary. It has been said times out of number, and by highly placed non-officials, that the Government should represent at least one major political party in this country and that in that case they will have some claim to represent this country. But do these Indian Councillors represent anybody, I would like to ask.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rural): They do not represent even their families!

Mr. T. T. Krishnamachari: Sir, I would like to examine at this stage how far these estimable, wise and patriotic men have discharged their duty to the country and how far they have upheld Indian interests as against the interests of our rulers today and how far they are being taken into confidence by the all powerful Viceroy and Governor General in India and by the Secretary of State in England.

Sir, non-officials have to a very large extent to depend upon hearsay evidence but when hearsay evidence is connected with actual performance or lack of performance, then it assumes a certain value. I am in a position to say categorically that these estimable, wise and patriotic Indians have not been able to do anything for their country when there is a conflict of interest and today, so far as the Government of India is concerned, the interest that the British Government has in it, does not concern the welfare side of the activities of the Government of India. The public health promotion activities of the Government of India can be put in abeyance. The education promotion activities of the Government of India can be put away. The road problems of the Government of India may not be a very serious thing unless it impinges on war effort. What the British Government is really interested in is the maintenance of law and order in the country and the hold of a firm grip on the economic life of this country and I would like to ask the Indian Members of the Executive Council to what extent they have contributed to seeing that the economic life of this country does not come under the grip of the British Government and of the British vested interests in this country and in England. There are two aspects of the situation and while dealing with them I will have to come back to the question of the financial policy of the Government. I referred the other day to the question of gold sales and I would now like to refer to it again. On the 2nd of February, when I was in Bombay, the information that I could gather was that about 40 crores of gold had been till then sold in this country. It may be wrong. After all, it is only a guess and I am open to correction and my information is that 40 crores of gold was sold in this country on behalf of the U. K. and the U.S.A.—a fact which has been corroborated by the Honourable the Finance Member. If the estimate is right then 15 crores of money has gone out of the hands of our countrymen because the value of gold is only Rs. 45 a tola and it has been sold at between 70 and 71. What did my countrymen in the Executive Council do about it? What did they say in regard to this to the Finance Member and to the Government of India? Why did they not say that this shall not be done and that they will not give any secret subsidy either to the United Kingdom or the United States, that if they were asked to give a subsidy, openly they will have to stand before the bar of public opinion and be condemned and therefore they will not be parties to the perpetration of a fraud? Did they do it? I do not think they did it.

Last year, in this House questions were asked about the importation of power alcohol plants. We were told that these plants were on the way and unless they were sunk by enemy action, I do not know what happened to them. Apparently they are not coming. What have the Indian Councillors done about it? I will say here and now categorically that Whitehall has sent

[Mr. T. T. Krishnamachari.]

instructions down to India that Indian industries on any large scale shall not be allowed to flourish in this country and they shall not be allowed to be started in this country except in so far as they are considered to be very necessary for subsidiary purposes connected with the war and ammunitions production.

Sir F. E. James (Madras: European): What is the Honourable Member's authority for this statement?

Mr. T. T. Krishnamachari: I will ask the Honourable the Finance Member to deny it.

The Honourable Sir Jeremy Raisman: I deny it categorically.

Mr. T. T. Krishnamachari: Notwithstanding the denial, I will ask the Honourable Member if he has not issued instructions that industries which will not be in a position to be able to start production by 1st June, 1944, shall not be encouraged.

The Honourable Sir Jeremy Raisman: They shall not be regarded as essential for the conduct of the war. That is a different matter altogether.

Dr. G. V. Deshmukh: In spite of his denying, is not the experience of this country a great authority?

Mr. T. T. Krishnamachari: I ask to be forgiven for using a phrase to which I am rather partial. I have spoken of Government Members speaking with their tongue in their cheek. My Honourable friend now says that if an industry is not of any use in connection with the war then his instructions will come into operation—he has used a qualifying clause—but he said the other day in this very House in reply to the Budget debate that industries in this country must be encouraged and the production of all those articles of consumption by the ordinary man in the street must also be encouraged. Unless these Executive Councillors have got two tongues and two faces, we cannot reconcile one fact with the other.

The Honourable Sir Jeremy Raisman: It may apply two different criteria.

Mr. T. T. Krishnamachari: "Criteria" is a movable equilibrium as that word 'ceiling' is. It moves according to the needs of the British Government. If the needs of the British Government move up, it moves up; if the needs of the British Government move down, it moves down. My Honourable friend from Madras, representing the Europeans, would like to contradict me because it is in his interest to contradict me.

Sir F. E. James: I did not contradict the Honourable Member.

Mr. T. T. Krishnamachari: If he does not stand up for the Europeans, who will? What I want the Indian Executive Councillors to say is this. Have you in any one instance fought against the Whitehall and succeeded? If they have not been able to do so, it is not merely because they are not patriotic or because they have not the intelligence to see that they have not done the right thing by their country, but because they are helpless and powerless. They are mere pawns in the game and are being shifted this way and that way at the sweet will of the Whitehall which sends instructions down to the comma. Every economic activity and everything that relates to law and order in this country is ultimately governed by the Whitehall and by nobody else. These people may say: "We are ten Indians today and we may become 11 or 9 tomorrow, that we are doing something to govern our country and that we are pulling our weight." But it is all an excuse, a mere eye-wash, and people cannot believe it because they have not demonstrated in any one matter that they have been able to do something for their country.

Let me now come to the Honourable the Commerce Member and the Honourable Member for Supply. Let us take the question of chemicals which are being imported into this country. I know it for a fact that slowly the trade is passing into the hands of the Europeans and these people sit there quiet and do nothing. They say that a European firm can import the chemicals at a cheaper price. But I will give you one instance. There is one particular chemical, borax, which is imported into this country in large quantities. It is being imported by European firms as well as by Indian firms. An Indian firm can import it from America at a cheaper rate than a European firm can, but it is the European

firm which gets the preference. Now, what have my Honourable friends, the Commerce Member and the Supply Member, got to say about this? The real fact is that they are bound hand and foot and have just to carry out the behests of their Masters and yet they can say that they are ten Indians and expect us to say that they are wise, estimable and patriotic. I do not know what patriotism means? Of course, there is no new definition of patriotism unless it be the old definition of Dr. Johnson.

An Honourable Member: What is that?

Mr. T. T. Krishnamachari: Parliamentary etiquette, of which my Honourable friend is the custodian in this House, will not permit me to repeat it here.

There is one other point of which I would like to make mention now. Some of my Honourable friends opposite have got a valid excuse, and I am now referring only to the non-Indian Civil Service people. The Indian Civil Service people have got to be there. In the ordinary course they have got to take up any job they are asked to take up. We know that the Indian Civil Service is not Indian; it is British. In fact, some of the Indians in the Indian Civil Service also feel that way. I have nothing to do with them; I am only speaking about my Indian friends. They have one excuse which they can put forward. They can say: "If we are not here, the British Government will find other people to take our places." I think that is the only excuse that they can put forward for their continuing to be there. They might say: "There are toadies enough in this country to fill our places if we resign. So, what is the use of your asking us to resign?" That is an excuse they can put forward. It may be so or it may not be so. But why don't you, at any rate, justify yourselves in the eyes of your own conscience and why do you merely lap up the epithets, wise, patriotic and estimable?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought to address the Chair.

Mr. T. T. Krishnamachari: I am telling them that they are not entitled to these epithets. It may be that there are other people who are available. We know, at any rate, that the lowest has got a lower depth still. As I was saying, that is the only excuse which they can put forward. They can say: "People before us have resigned and the Government of India have found others to take their places".

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member's time is up.

Mr. T. T. Krishnamachari: I am finishing, Sir, in half a minute. Some time back an Englishman, Mr. Harold Laski, who was very unpopular with the Government of India said that if these Indians did not enjoy the support of the British Government, they would have to join the nationalists ranks to find a place in public life or go out of it altogether. I would suggest to them that they had better take that advice before long.

Rao Bahadur N. Siva Raj (Nominated Non-Official): Sir, at the outset I would say that I oppose this cut motion and with such sincerity and vehemence as I can claim in association with my friends who have supported this motion. My first reason is a business one and one probably which relates to the business of the day. If this cut motion is carried, I fear that we will not be in a position to move our motions where we have said that the Demand under the head "Executive Council" be reduced by Rs. 100, unless you, Sir, give us a ruling that we can amend our cut motions so as to reduce the Demand by one pie.

Another reason is that I feel that the moment this motion is carried, even if the Executive Council continues to exist, they are not bound to answer any question that the Opposition may raise.

Sir Muhammad Yamin Khan: Why?

Rao Bahadur N. Siva Raj: Because they are not paid to do so.

Sir Muhammad Yamin Khan: They will remain.

Rao Bahadur N. Siva Raj: That is my view.

Sir Muhammad Yamin Khan: That is a wrong view.

Rao Bahadur N. Siva Raj: My second reason is that whatever defects may be pointed out in the administration by the present Government of India can be traced to the constitutional limitations under which the Members of the Government are called upon to work, which unfortunately are made more embarrassing on account of war conditions. It is a fact and no Honourable Member of this House can deny that during the time of war it is impossible for people to carry out their policy either according to the wishes of any particular political party or even according to individual wishes of Honourable Members of Government because from the point of view of ultimate strategy and from the point of view of winning the war, they are bound, I think, to a large extent by circumstances over which they have no control. That position is made even more difficult on account of the attitude that has been adopted by the political parties in India, by people who claim that they can represent the country as a whole, though my Honourable friend, Mr. Krishnamachari, rather suspects that quite a lot of them, at least 50 per cent. of our countrymen, are toadies and so these people cannot represent toadies. (Interruption.)

Mr. President (The Honourable Sir Abdur Rahim): Let the Honourable Member go on without interruptions.

Rao Bahadur N. Siva Raj: The political parties had the solution in their hands. It is an unfortunate part of the politics of our country and I consider it personally a great tragedy that it is not possible at a time when our country ought to take all controls in their hands, when our leaders and our statesmen should be discussing very many important things—that it is not possible for them to form a Government which may be called a National Government. At the present moment, these gentlemen when they were called upon to serve in the Executive Council, they accepted these posts. What these Members of the Executive Council do is not known to the public and cannot be made known to the public, but there is no denying the fact that their presence in the Executive Council goes a great way to diminish the effects of what otherwise might have been even more difficult and horrible administration. The cry is already raised in section 93 Provinces that it is much better that as soon as possible some kind of Government is brought into existence which will have in its composition a considerable element of Indian population. If that is true, and if Honourable Members of this House believe in that, there is no reason why such of the Indian leaders as can accept a position under the Government of India today should not accept that position and work it to the best of their ability in order at least to fill the vacuum which otherwise would be created on account of the attitude adopted by our main political parties.

Sir, I might also say that so far as I know, two or three Indian Members of the Executive Council are trying to the best of their ability to help our country during a very very critical time in many difficult matters, whereas those Honourable Members who want them to resign are not prepared to accept even this or at least give them help in such attempts as they are making to help the administration in the interests of the people of India. So, I maintain that it is not fair that the Opposition should complain against the Indian Members, particularly in their present administration, for faults for most of which they are not responsible. It is due to constitutional limitations, that we find them in this position.

Sardar Mangal Singh (East Punjab: Sikh): Let them say so.

Rao Bahadur N. Siva Raj: It is not for the Leader of the Congress Party or the Secretary of the Muslim League Party to say whatever they like. There is at least one among the Indian Members of the Executive Council, for whose sake we must oppose this Motion. There is one—I mean the Honourable Dr. B. R. Ambedkar—who represents the community to which I belong and which I have the honour to represent in this House. (Interruption.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

Rao Bahadur N. Siva Raj: For the reason that there is amongst these eleven Members at least one, for whom the Scheduled caste people all over the country have the greatest regard. Probably my Honourable friend, Sir Muhammad Yamin Khan, does not know, I wonder if other Honourable Members know, in

what esteem the Scheduled castes in India hold the Honourable Dr. B. R. Ambedkar. We hold him with the same reverence as the Hindus hold Mahatma Gandhi or the Muslims hold Mr. Jinnah. I always held the opinion that if the Indian political problem should be solved, it can be solved only by these three great men coming together and then the problem can be solved in a day, and I can go even further and say that if such a situation arises, I think it is well known that the Honourable Dr. B. R. Ambedkar can draft the constitution in a day. It is not merely a matter of fact, but it is also a matter of sentiment to the scheduled castes in our country that we hold the Honourable Dr. Ambedkar in such great esteem, that we will not be a party to criticise any administration of which he forms a part, because we also know that if he finds that that administration is bad, he will be the first to come out of it.

There are other points which are raised generally in connection with the Government of India. It is said about the Government of India being slaves of Whitehall. Well, Sir, there is nothing to choose between the two, slaves of Whitehall or slaves of Wardha. There was a time when I used to refer to Whitehall-Wardha axis, and mind you, to the fear and detriment and apprehension of even my friends of the Muslim League and to ourselves at that time, the Members of the Government of India were good enough for the gentlemen of Wardha so as to get into close contact with them. At any time, at any moment, it may happen that suddenly this axis is established again and those who have come to scorn will remain to pray. So, I think we are not quite safe in supporting that point of view which says that these Members are slaves of Whitehall and so we must vote them down. There are two halves, the white half and the black half of the Government of India.

An Honourable Member: Two-thirds black and one-third white.

Rao Bahadur N. Siva Raj: Whatever it is, people like me who occupy a middle position, who neither want the favour of the Government nor are claimed by the Opposition to be their friends

Sir F. E. James: Fall between two stools.

Rao Bahadur N. Siva Raj: Very often it is somewhat difficult for us to choose our position between the angels of the Opposition and their opposite numbers of the Government. But there is only one point that during the time of war it is essential that there must be a Government to carry on the war and nobody can dispute it, unless people want to take things as they come and merely throw it upon God and on Providence. (It was left to Providence that Japan should invade India and make us slaves). If they are practical statesmen they must believe in some form or other of Government which must carry on the administration during the war. The question now is whether that administration shall be left entirely to the Europeans and Whitehall of the Government of India, as for instance, what has taken place in section 93 provinces, or it shall also have among its members certain Indians whose honesty and integrity, whatever their popularity may be, can never be questioned.

Qazi Muhammad Ahmad Kazmi (Meerut Division: Muhammadan Rural): Sir, I have been hearing my Honourable friend, Mr. Abdul Qaiyum Khan, and find that he is discriminating between the Indian and the European Members of the Executive Council. As a matter of fact I personally do not want to be guilty of any discrimination because in the Government of India Act I find that they have been very careful to avoid this discrimination; and that is probably one of the reasons why we are not given independence or even dominion status. So, just to act in the spirit of the Government of India Act I would say that I do not want to discriminate between the Indian and the European element in the Executive Council. There is one further reason, and it is that before selecting Indians for these posts Government satisfy themselves that they are absolutely westernised. On the other hand I find that Englishmen can be found who can have conscience enough to understand their responsibilities and can be faithful to the people by whom they are paid and whom they have to serve. The money is Indian money and it is immaterial whether he is

[Qazi Muhammad Ahmad Kazmi.]

an Englishman or an Indian. He is paid by a certain country and it is equally the duty of an Englishman as well as of an Indian to serve his masters. If the masters' interests are not served they are to be blamed. Now, if the masters are situated at a distance of five thousand miles I am sure they are equally good or equally bad. But because we maintain the position that we are the masters, therefore, we say that they must serve us and look to our interests whether they be Indian or European.

Now, let us see as to what these Members of this Executive Council have been doing. As a matter of fact they are not only betraying the cause of India but are actually even bringing the Government into hatred and contempt. They are not even serving the cause which they purport to serve. They want to raise the standard of British diplomacy and British justice in India but we find that by their own action they are bringing Government into greater and greater contempt by their actions. So, it is not only that they are not doing their duties faithfully but I am astonished to find that often they are not even competent. I have been hearing from my childhood that one of the mainstays of British Government in India and other countries was justice. I have heard that when the Englishmen made their conquests in South Africa the first thing they did for getting a firm hold there was to take some persons of the judicial service from India to South Africa—because these courts of law are considered to be the basis of British Empire and of so-called British justice. I heard from a gentleman who was actually taken from here to South Africa that after their arrival in that country it was announced by beat of drum throughout the land that the British Government had instituted courts of law and any person who had a grievance might come forward and put his complaint before the court and it would be redressed. But the judges had to wait from morning till evening every day and sit in court without any case coming to them, because the people there were in the habit of settling their disputes among themselves. But ultimately the chance came to the British people. Some person was carrying a cow through a foreign territory and a small chief of that territory got hold of that cow. The man came and tried to get back the cow, but when he failed he came to court. The complaint was entertained; they raided the territory of the chief and wrested from him 1,300 cows out of which 13 were given to the person who had made the complaint and they kept the rest to themselves. Thus rose the reputation of British justice and since then the courts were flooded with all sorts of cases and that was the foundation of the popularity of the British Government itself. Whatever may be the merits or demerits of that I must say that these courts of law have always been considered to be the foundation of British rule. I hear that in the early days of the East India Company there were really cases tried in a way in which there was no discrimination between an Englishman and an Indian. In my own district of Saharanpur I heard that once a military officer was going on horseback and he happened to drop his purse. Some person picked it up and a little later the officer came back in search of the purse. The man gave it to him but the officer said that he had got 90 sovereigns in the purse and now there were 80 only. A complaint was made and the matter was heard by an English Magistrate. Then it is said that the magistrate asked the officer as to how many sovereigns were there in his purse. He said there were 90. The magistrate said, "This purse contains only 80 and so it must not be yours". He handed the purse to the man who had picked it up. That is the way in which justice was done.

But what have these gentlemen in the Executive Council done? They have no confidence even in the highest courts of justice. They start making preposterous propositions so far as legal jurisprudence is concerned. In 1942 they enacted a Special Courts Ordinance. By that Ordinance they appointed an authority to review cases tried by special courts and it was provided that the Local Government shall appoint a person from the judges of the High Court to review these cases. They had the audacity of taking a person from the Judges of the High Court and appointing him for the purpose. I do not know the exact legal position and I would ask the Leader of the House to

enlighten us on that point, namely, whether the Judges of the High Court were not competent to refuse to serve in that capacity by saying that we have been appointed by His Majesty the King Emperor as Judges of the High Court of Judicature and the Local Government or any other authority has got no power of inflicting upon us a task in a capacity other than that of Judge of the High Court. Sir, this Government has continuously been showing their non-confidence in their own officials of the Highest Judicial Tribunal. Only the other day we found that the High Courts of Judicature have been deprived of the powers under section 491 of the Code of Criminal Procedure. This is a continuous and persistent attempt which is being carried on by the Members of this Executive Council. May I ask, Sir, what were the difficulties which confronted the present Government so far as section 491 was concerned. I have pointed out before and I say it again that it was only in a very few cases that any interference was really effected by the High Courts. All that the High Courts did was to call upon the Government to show that the Government had exercised their mind before arresting a particular person and as soon as an affidavit was filed even by a small official saying that the Government was so satisfied, the High Courts rejected the applications under section 491, i.e., *habeas corpus* petitions. But the present Government cannot even tolerate that amount of interference by the High Court. It is a mockery of justice. The Government are doing away with the courts of law, they are cutting down the very foundations upon which the popularity of the British Government was at a time established in India and other parts of the world. They have not got a good word to say even for a person who, though he fully supports them, possesses the legal power of interfering with their work. We find that this practice continuously increasing amongst the Members of the present Executive Council.

Sir, I would not like to take up much time of the House but I would only give one other instance of their incapacity in another direction. They have sent a deputation to England and America. The leader of that deputation—Sir Srinavasa Sarma—I have heard joined some press representatives and had the honour of seeing President Roosevelt in that connection. (Interruption.) He at least thinks himself to be the leader of the deputation, and after all it is for the Government to let us know who is the leader of that deputation, and what were the qualifications of the members of that deputation, and what are their functions. It has recently been reported that they are having interviews and contacts with film stars in America.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has one minute more.

Qazi Muhammad Ahmad Kazmi: I do not know how far the Government of India is justified in sending a deputation of that kind to America. Have they been sent to express the political views of India or to demonstrate the tastes of film-goers? I quite understand that they are not representing the political views but what are those views that they are representing? Only the views of film fans. If that is the object, may I know from the Honourable Member in-charge as to what was the necessity of sending them to that place? Don't the Americans already know that their pictures have good market in India?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Qazi Muhammad Ahmad Kazmi: Sir, I have done.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. N. M. Joshi (Nominated Non-Official): Sir, on a point of order. The Executive Council is being attacked in several speeches and the Members of the Executive Council do not reply. I, therefore, suggest that you might call upon one of the Members to speak. Then only the debate can begin.

The Honourable Sir Sultan Ahmed: This is not a point of order. We will bide our own time. We shall speak when we decide to speak.

Mr. N. M. Joshi: It is the House that must hear him.

Mr. Deputy President (Mr. Akhil Chandra Datta): As regards the point of order, the Honourable the Leader of the House has said that it is not a point of order, although I feel that they might very well have respected the wishes of the House, but that is quite another matter. This is not a point of order.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): When I think of the Executive Council there looms before me in the first instance the picture of a white Triumvirate, in which a Mudie succeeds a Maxwell, a Raisman perpetuates himself and a Benthall revivifies in his person the East India Company and tries to reassert the sovereignty of that body over the administration of India. Then, in the background, I see a dusky, docile procession of ten, dutifully bringing up the rear with camp equipage. Sir, the picture of the Executive Council is in black and white, the black predominating and acting as the foil so that the white may shine with all the greater effulgence. The black section of the Executive Council has permitted the white to blazon forth to the world the fiction that the present-day Government enjoys the moral support of the people. I have a very great apprehension that in so far as the black are assisting the white in this, they might, who knows, be regarded by posterity in the light of "Quislings".

Sir, the present-day policy of the Government of India may be summed up in two words: coercion and corruption. As regards the first part of this dual policy, the black lends its moral support to the white in heaping untold miseries, indignities and wrongs on our people. And so far as the second part of this dual policy is concerned, the black section represents the fruition of this policy in its own members. They have allowed themselves to be corrupted by the lure of office, and by their example they are corrupting others.

Sir, the duties of the Indian Members of the Executive Council were some-time ago described by one who held office at one time, as being dual in character. Firstly, according to him, the Indian Members were expected to represent to the Government the views of the non-official Indians. Secondly, they were expected to interpret the Government policies and actions to the people. As regards the first, if we are to judge by results, their achievement is nil. In most matters of moment, this Government have taken decisions hostile to the Indian interests, and the presence of a large majority of Indians has been of no avail. Therefore, we are entitled to conclude that they have failed to carry out the first part of their duty. As regards the second, I would like to refer to an item in the budget which goes to make up the demand which we are just now discussing. It is under the head "Tour expenses". Speaking on another occasion, I said that I do not mind the increasing amount of tour expenses of the Executive Councillors. I personally would be prepared to vote a much larger amount if they were to undertake the second part of their duty: if they would only undertake to go to the country and try to defend the Government's policies and actions which they have, by their acquiescence, brought about. Sir, it pains me to say so, but I am afraid in the interests of truth I have got to state that tours are very often undertaken by Honourable Members for personal reasons, for pleasure trips, for purposes of pilgrimage. It would not be unreasonable on our part, if we were to ask the Government to make regular statements before this House every year as to the places which were visited by individual Members of the Executive Council and the duties which they performed while on their visit to those places.

Now, Sir, the present-day administration, as everyone knows, has degenerated into a legalised tyranny. At the top we have an all-powerful person to whom no direct reference is permissible under the rules of this House, but my complaint against the Executive Council is that they have allowed this all-powerful person to assume dictatorial powers even in spheres in which he has no right to assume such powers.

Sir, I was looking into the Government of India Act only a few minutes ago, and I did not find any warrant for some of the actions that the Governor General has been allowed to take, actions which really lie in the field of administration for which the Governor General in Council as a collective body are responsible. Take the case of issuing of Ordinances. The ordinances furnish an alternative method of legislation as far as I can judge. The Ordinance-making power of the Governor General does not mean that he is above all control by his Cabinet. I was reading another book which deals with this point. It is stated there that in the past, although the Ordinance-making power always belonged to the Governor General, it was customary for the Governor General to discuss the subject matter of the Ordinance in his Executive Council, although ultimately the authority under which the Ordinance had to be issued was necessarily his own. And yet, time and again when we have sought even to make an indirect reference to the Ordinances, we have been met with the reply that the Governor General in Council has nothing to do with them as a matter of fact, from the constitutional point of view they tried to make out that the Governor General in Council is not on terms even of nodding acquaintance with the Governor General. If we look at the Ordinances we find that at least one Secretary to the Government lends his signature to all such Ordinances. My Honourable friend, Sir George Spence, will say that it is no more than a mere "Dhobi-mark", and that his functions in that regard are more or less comparable to the functions of a witness to a person's last will and testament, that is to say, a witness who is not concerned with the contents of the will, but, who merely testifies to the signature of the testator. Sir, I do not know whether the House will be satisfied by such an explanation. We have seen what enormities have been committed in the name of Ordinances. Great mistakes had to be corrected later—great mistakes which have led to a lot of suffering in the first instance, mistakes for which the Executive Council cannot altogether escape blame.

Now, Sir, it is a patent fact that this Executive Council does not represent the country's interests in any sense of the term, and the sooner this fact is made widely known to the outside world, the better; but I am afraid the authorities here would see to it that the purport of the speeches that are being made from all parts of this House will not be sent out to the outside world. I do not know what powers have been given to the censoring authorities in regard to the proceedings of this House; and there comes in a serious charge that I bring up against this Government, and that is, they have tried their best to bring this legislative body into contempt. And let me tell them in return that Indian non-official opinion holds them in utter contempt. They may have succeeded in deluding the outside world into thinking that this Government is imbued with a moral sense of duty towards Indians. We had it on the high authority of the Finance Member the other day, that he has a conscience and that his sense of duty is very high. I am prepared to accept that assurance from my Honourable friend. But, I do not know whether the white section keeps its eyes and ears open, and whether the echoes of many ungainly things that one hears in the whispering galleries of Delhi have reached their ears. I should like to associate at least traditions of integrity with Members of the Executive Council.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has one minute more.

Mr. K. C. Neogy: Sir, I have done.

Mr. T. S. Avinashilingam Chettiar: I rise to support the motion that has been so ably moved by my colleague and Deputy Leader, Mr. Abdul Qaiyum. In doing so I want to bring to the notice of this House that the main job of the present Government is supposed to be to conduct the war, and I ask whether even from that point of view they are doing their work properly and well. In this connection I must point out to you, and through you to the Government and to this House that wars are not won by mere mass of material, or by mere mass of men. If mere men would have won, Britain would have won long before. France would have won, and Russia would not have possibly won. But

[Mr. T. S. Avinashilingam Chettiar.]

today what France could not do, Russia has done. And what is the reason? It is not men, it is not merely materials, but, Sir, it is the spirit with which these men have been imbued with. There is a saying of a great man that even a spider's web with proper velocity can cut through an oak. What is required is velocity. Even so with human minds, with human materials, even so with mechanical appliances. No amount of mechanical weapons can win this war, no amount of human food for powder will win. You may organise lakhs of men, but they will lack the spirit with which they will be actuated in action unless they have the desire to win, unless they have an urge, the feeling of sacrifice for the common cause. Otherwise all this mass of men will be mere food for powder. Have the Government of India given the Indian soldier that urge, that spirit, that feeling of self-sacrifice, that can win against odds, that can win against Germany, against Hitler, against Japan? We want them to win, it is not my wish alone, it is the wish of the All-India Congress Committee of the Congress.

There have been a lot of misrepresentations about the attitude of the All-India Congress Committee and the August resolution. Let me quote just three lines about what the object of the resolution was:

"The Committee (this is from the resolution passed on the 8th August 1942) is anxious not to embarrass in any way the defence of China or Russia whose freedom is precious and must be preserved, or to jeopardise the defensive capacity of the United Nations."

We want that the United Nations should win, we want to show them the way in which they can win, not by keeping a mercenary army of slaves. Have you ever seen the advertisement for recruitment, for men in the forces? They say, "You get free food, you get free clothing, you get a lot of money, please come and join the army, that is a good profession for you". Have you ever seen men recruited on that basis, having the urge, having the capacity to fight a foe who is as determined as determination can be? I want to tell you that this Government has not given that confidence to this country, has not given that confidence to the soldiers of this country, so that they can fight to the end. It has been said and claimed many times that this is a totalitarian war. Those days of war with mercenary armies, as in the days of Napoleon, are over. To-day wars are fought by the whole people, by the men in the factories, at home and by the men in the front on the battlefield. Have you inspired the people of this country with an urge, with that quality of strength which will make them think that this war is their own, and to say, "I am bound, I am determined, whatever may happen, to defeat the enemy". My humble reply is that the Government have failed, and utterly failed. There is no greater friend of Britain than Pandit Jawahar Lal Nehru, there is no greater friend of the British than my Honourable friend, Mr. Jinnah perhaps, but still these people have been disregarded. You do not want them. And why? You tell the soldiers of this country, "You fight for the freedom of the world, for the freedom of America, for the freedom of England, for the freedom of China". "But what about my own country?", our men ask. The reply is, "Don't ask that question". Is that an attitude of mind which can give strength and spirit to the soldiers of this country? We are told by the Viceroy on a speech which is self-congratulatory, "I have got a Government composed of Indians, patriotic men who are doing a difficult task"—evidently a difficult task because they are up against the country. No amount of Indianisation without real power can be a substitute for a national Government. It is only a national Government that can fight for the freedom of this country and for the freedom of the world.

Now, may I say a few words about the famous 'Quit India' resolution? It has been so misunderstood and misrepresented that people really do not know what the resolution means today. What does it mean? It does not mean that every Englishman should leave this country. Far from it. If we have Andrew's and Mira Bens we want them here, and let them settle down here as if it is their own country. What we do not want is the British bureaucracy ruling over this country, an inefficient, corrupt Government which is not working in

the interests of this country. That is what we want. This is what 'Quit India' means. It is not only the Congress, it is not only the Muslim League, not only every Indian but every enlightened Englishman that looks forward to the day when a Government like this will have to quit India, and so, there is nothing very vicious or wrong in that Resolution. It expressed the best common opinion among all the Indians in India.

I have been told that the Viceroy has assured us independence at the end of the war and I have been also told that the Viceroy in his talk with a public leader in Madras said that they were very sincere about this. I believe he is sincere but past memories are not very helpful. The Indian blood shed in Flanders had not dried up, the Indian bones that were shattered in Flanders have not become white, when what happened? In spite of all the promises that they made, what did we get? We got the Jallianwala Bagh where men were shot at mercilessly. We got a General Dyer who said that he fired and fired till he had no more ammunition with him. We had the Rowlatt Act and we had the Reverse Councils which brought a loss of 40 crores of rupees to the Indian revenues and the Indian people. Remembering all this, will any Indian in his senses, any intelligent Indian, believe in mere promises to-day? What the Congress asks for and what the Indian people ask for is 'let your promises be accompanied by some action', and not merely by setting up a puppet Government with nominees as it were, who are merely 'Yes' men as somebody said. We want men who will be really representatives of the country, who will inspire this country to nobler action and who will win this war.

Now, Sir, many things have happened after August 1942. I do not want to refer to the thousands of people who have been imprisoned without trial, thousands of mock trials which have been going on in this country, to the machine gunning from the air on innocent men and women in many parts of the country and let it be said to the eternal shame of this Government, to the molestation of, and attacks upon, innocent women in this country. I shall not refer to these things today. I have only got to refer in the few moments left to me to one great act which moved the country from one end to the other and that was the fast of Mahatma Gandhi when he was in jail. There was not a single Indian man, woman or child who did not send forth prayers for the safety of the life of that great man. Yet, the voice of millions of Indians would not move this Government to take one step towards the saving of that great man and if he has been saved today, he has been saved perhaps because of the prayers that have been offered throughout this country.

We have seen Empires crumbling away. The Great Roman Empire is gone and the Capitol Hill is now a mass of ruins and the spider now weaves its webs where the Caesars ruled. Maxwells and Craiks may crumble into dust but the fame of the one great man of India will live in the hearts of men. And so, whatever you may do to crush nationalism in this country, whatever you may do to crush the spirit of freedom in this country, all that will be in vain. It will be a matter of a few days glory and nothing more and I want you, Sir, to take courage in both your hands and be wise for your own sake.

The Honourable Sir Sultan Ahmed: To whom is this advice given?

Mr. T. S. Avinashilingam Chettiar: You know to whom this advice is given. The sufferings that we have all undergone make us all the more sure of our ground and that is that this Government must go. I am not talking only of the inefficient way in which the war is conducted. I am referring mainly to the millions who have died not only in Bengal but in the West Coast, in Malabar, in Travancore and Cochin. I am referring not only to the corruption that they have created in this country by various methods; in every department of life in the last few years things have become worse and the people today are much worse off than they were ever before and the thought is growing upon them that the Government that is ruling the country today is no more representative of them. In fact, it operates every day with greater weight, to their greater misery and oppression and that being the case, may I ask you this question? Is that the atmosphere in which you expect to win this war? Is that the atmosphere in which the Executive Council wants the co-operation of the people of this

The Honourable Sir Sultan Ahmed: This is not a point of order. We will bide our own time. We shall speak when we decide to speak.

Mr. N. M. Joshi: It is the House that must hear him.

Mr. Deputy President (Mr. Akhil Chandra Datta): As regards the point of order, the Honourable the Leader of the House has said that it is not a point of order, although I feel that they might very well have respected the wishes of the House, but that is quite another matter. This is not a point of order.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): When I think of the Executive Council there looms before me in the first instance the picture of a white Triumvirate, in which a Mudie succeeds a Maxwell, a Raisman perpetuates himself and a Benthall revivifies in his person the East India Company and tries to reassert the sovereignty of that body over the administration of India. Then, in the background, I see a dusky, docile procession of ten, dutifully bringing up the rear with camp equipage. Sir, the picture of the Executive Council is in black and white, the black predominating and acting as the foil so that the white may shine with all the greater effulgence. The black section of the Executive Council has permitted the white to blazon forth to the world the fiction that the present-day Government enjoys the moral support of the people. I have a very great apprehension that in so far as the black are assisting the white in this, they might, who knows, be regarded by posterity in the light of "Quislings".

Sir, the present-day policy of the Government of India may be summed up in two words: coercion and corruption. As regards the first part of this dual policy, the black lends its moral support to the white in heaping untold miseries, indignities and wrongs on our people. And so far as the second part of this dual policy is concerned, the black section represents the fruition of this policy in its own members. They have allowed themselves to be corrupted by the lure of office, and by their example they are corrupting others.

Sir, the duties of the Indian Members of the Executive Council were some-time ago described by one who held office at one time, as being dual in character. Firstly, according to him, the Indian Members were expected to represent to the Government the views of the non-official Indians. Secondly, they were expected to interpret the Government policies and actions to the people. As regards the first, if we are to judge by results, their achievement is nil. In most matters of moment, this Government have taken decisions hostile to the Indian interests, and the presence of a large majority of Indians has been of no avail. Therefore, we are entitled to conclude that they have failed to carry out the first part of their duty. As regards the second, I would like to refer to an item in the budget which goes to make up the demand which we are just now discussing. It is under the head "Tour expenses". Speaking on another occasion, I said that I do not mind the increasing amount of tour expenses of the Executive Councillors. I personally would be prepared to vote a much larger amount if they were to undertake the second part of their duty: if they would only undertake to go to the country and try to defend the Government's policies and actions which they have, by their acquiescence, brought about. Sir, it pains me to say so, but I am afraid in the interests of truth I have got to state that tours are very often undertaken by Honourable Members for personal reasons, for pleasure trips, for purposes of pilgrimage. It would not be unreasonable on our part, if we were to ask the Government to make regular statements before this House every year as to the places which were visited by individual Members of the Executive Council and the duties which they performed while on their visit to those places.

Now, Sir, the present-day administration, as everyone knows, has degenerated into a legalised tyranny. At the top we have an all-powerful person to whom no direct reference is permissible under the rules of this House, but my complaint against the Executive Council is that they have allowed this all-powerful person to assume dictatorial powers even in spheres in which he has no right to assume such powers.

Sir, I was looking into the Government of India Act only a few minutes ago, and I did not find any warrant for some of the actions that the Governor General has been allowed to take, actions which really lie in the field of administration for which the Governor General in Council as a collective body are responsible. Take the case of issuing of Ordinances. The ordinances furnish an alternative method of legislation as far as I can judge. The Ordinance-making power of the Governor General does not mean that he is above all control by his Cabinet. I was reading another book which deals with this point. It is stated there that in the past, although the Ordinance-making power always belonged to the Governor General, it was customary for the Governor General to discuss the subject matter of the Ordinance in his Executive Council, although ultimately the authority under which the Ordinance had to be issued was necessarily his own. And yet, time and again when we have sought even to make an indirect reference to the Ordinances, we have been met with the reply that the Governor General in Council has nothing to do with them as a matter of fact, from the constitutional point of view they tried to make out that the Governor General in Council is not on terms even of nodding acquaintance with the Governor General. If we look at the Ordinances we find that at least one Secretary to the Government lends his signature to all such Ordinances. My Honourable friend, Sir George Spence, will say that it is no more than a mere "Dhobi-mark", and that his functions in that regard are more or less comparable to the functions of a witness to a person's last will and testament, that is to say, a witness who is not concerned with the contents of the will, but, who merely testifies to the signature of the testator. Sir, I do not know whether the House will be satisfied by such an explanation. We have seen what enormities have been committed in the name of Ordinances. Great mistakes had to be corrected later—great mistakes which have led to a lot of suffering in the first instance, mistakes for which the Executive Council cannot altogether escape blame.

Now, Sir, it is a patent fact that this Executive Council does not represent the country's interests in any sense of the term, and the sooner this fact is made widely known to the outside world, the better; but I am afraid the authorities here would see to it that the purport of the speeches that are being made from all parts of this House will not be sent out to the outside world. I do not know what powers have been given to the censoring authorities in regard to the proceedings of this House; and there comes in a serious charge that I bring up against this Government, and that is, they have tried their best to bring this legislative body into contempt. And let me tell them in return that Indian non-official opinion holds them in utter contempt. They may have succeeded in deluding the outside world into thinking that this Government is imbued with a moral sense of duty towards Indians. We had it on the high authority of the Finance Member the other day, that he has a conscience and that his sense of duty is very high. I am prepared to accept that assurance from my Honourable friend. But, I do not know whether the white section keeps its eyes and ears open, and whether the echoes of many ungainly things that one hears in the whispering galleries of Delhi have reached their ears. I should like to associate at least traditions of integrity with Members of the Executive Council.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has one minute more.

Mr. K. C. Neogy: Sir, I have done.

Mr. T. S. Avinashilingam Chettiar: I rise to support the motion that has been so ably moved by my colleague and Deputy Leader, Mr. Abdul Qaiyum. In doing so I want to bring to the notice of this House that the main job of the present Government is supposed to be to conduct the war, and I ask whether even from that point of view they are doing their work properly and well. In this connection I must point out to you, and through you to the Government and to this House that wars are not won by mere mass of material, or by mere mass of men. If mere men would have won, Britain would have won long before. France would have won, and Russia would not have possibly won. But

[Mr. T. S. Avinashilingam Chettiar.]
country? Sir, you have created the National War Front. You have paid thousands of men to go to the villages and preach to them. Do you know that many of them do not really go to the villages and even when they go they cannot face the people in the villages, who are starving, and who ask these men 'We are starving and what are you talking about?' So these men of the National War Front draw their salaries and go their own way. Is this the atmosphere in which you will win the war? Let me say that by your action you are indefinitely prolonging the agonies of this war. To put an end to this state of affairs, there is only one way and that is to extend your hand of fellowship to India. You say you are fighting for democracy. We want to feel that we are fighting not only for the freedom of other nations but for our own freedom and independence. Give us the chance and you will find that it is not only for the good of this country but also for the good of the democracies and of the United Nations. The present Viceroy of India is a soldier and he has said that as a soldier he can appreciate the importance of the co-operation of the public and the importance of public morale in this country and may I ask him to take courage in both his hands and like his master be a statesman once in his life and say boldly 'Here is freedom. Take it and fight this war to a finish?' That is the way for winning not only this war but also the way to the freedom of the world.

Sir F. E. James: Sir, it has been a great pleasure to me to hear my friend Mr. Avinashilingam Chettiar, after many months' absence from this House. He has lost none of his torrential eloquence as a result of his stay in another place.

I entirely agree, and I think my Party would subscribe to the view that he has expressed, that what is needed is an efficient and incorruptible Government.

Mr. T. S. Avinashilingam Chettiar: National Government.

Sir F. E. James: National Government. I was interested to hear my Honourable friend say that really the true meaning of the famous resolution to which he referred was that they only required or demanded a change of Government. In other words, they did not, as some of us thought, demand the expulsion of the British from India either by force or by that peculiar form of coercion which is usually described as non-violence. I wonder whether my Honourable friend has any sanction behind that statement. If so, then I take

it to mean that he has cast aside very important implications which appeared to the average reader in that particular resolution. If that is the case, I warmly congratulate him. My Honourable friend, Mr. Abdul Qaiyum, who, since he returned to this House, has had a meteoric rise in his Party (and I congratulate him on that) did not seem to me to be particularly interested in his own speech. I was very struck by the number of occasions on which he glanced at the clock. He had a certain lesson to say, and he said it, if I may say so, with a geniality which was almost endearing. I was very glad that we had that spirit from that side rather than perhaps the more malicious spirit that I had feared might come from those Benches. But what was the sum and substance of his genial remarks? Merely, that he did not like this Government; that it was guilty of a large number of crimes, which he did not specify, and that therefore it ought to go out to make room for the real representatives of the people. He then went on to say that, of course, there was no chance of their getting out; that in spite of the Cripps' offer, there was no chance even of that being implemented after the war,—and here I was struck by what I think really was a childish argument—because he had read in a paper this morning or yesterday that there was a press notice to the effect that Sir Ramaswami Mudaliar's term of office had definitely been extended for a period of five years. I do not believe for a single moment that my Honourable friend is so unaware of the constitutional position of these Members of the Executive Council not to know that should changes take place which are foreshadowed in the Cripps' proposals before the end of any Honourable Member's present term of office,

that Honourable Member would cease to continue in that office. My Honourable friend, Sir Muhammad Yamin Khan, took rather a different line. He stood up to champion the cause of democracy. He said he did not like this Government because it was, in effect, anti-democratic. He went further and suggested that it had all the attributes of Hitler and Mussolini rolled into one. That obviously shows his lack of acquaintance with European history in recent years. My Honourable friend having accused this Government of not being democratic and having stood up in the name of democracy is, I notice, about to encourage the House to express by a majority vote, which he despises and which on no considerations he will have, its abhorrence of this Government. In other words, my Honourable friend stands for democracy and he employs the democratic weapon of the majority vote, but he will not accept its logical consequences. He is aware, as the House is aware, that in a democratic country, whatever the machinery which is used, there is some method whereby in a peaceful manner the Government of the day can be changed. He urges the House, therefore, to throw out this Government by means of carrying this cut motion of refusal of supplies by a large majority. What is, then, my Honourable friend's alternative Government to this?

Now, Sir, it may be asked, what interest have the European Party in this matter? I should say that we propose to vote against this motion for a number of perfectly good and valid reasons.

Sir Muhammad Yamin Khan: Because it is a democratic Government, you are voting for it.

Sir F. E. James: We are under no such delusion, although I may suggest to my Honourable friend that this Government is more democratic than he thinks. But our first reason is that this is a Government which is pledged to the whole-hearted prosecution of the war. Our second reason is that we believe this Government to be a fair and reasonably efficient Government. (Interruptions.) My Honourable friends must not run away with the extraordinary illusion that if they substituted these gentlemen by gentlemen of their own persuasion, the Government would immediately become efficient or incorrupt. The third reason is—and this perhaps is in some ways the most important reason is—what is the alternative? This is not a national Government; nobody has ever claimed that this is a national Government. We do not believe that even the most eloquent Members of the Executive Council have ever claimed to represent the masses of the country or to be members of a national Government. It is an interim Government of individuals who have come together and have, I think, with great courage and public spirit, undertaken the responsibility under extremely difficult circumstances (*Voices of "No, no"*) of prosecuting the war to the maximum of their ability and strength. Now, we do not for a moment suggest that every single Department of Government or every single item of policy which they pursue has our undeviating support. But what is the use of refusing supplies to this Government until we are in a position to see another alternative to this Government and that is the inescapable dilemma in which we are at the present moment.

I am aware that on this particular issue there is an agreement between the two Parties.

Sir Muhammad Yamin Khan: No, No; all non-official Members are agreed on this point.

Sir F. E. James: I am speaking of those particular two Parties because they usually describe themselves as the two major Parties in the country. On this matter the Congress and the Muslim League seem to be agreed. Now, my Honourable friend, Mr. Abdul Qaiyum, accused the Government of the day of having an illicit love affair with Whitehall, which, I presume, has since been legalised by marriage. What about this love affair between the Congress and the Muslim League. Is this love affair illicit or temporary?

Sir Muhammad Yamin Khan: It is the same as between England and Russia.

Sir F. E. James: It is either illicit or it is illusory. If it is not illusory, then it is purely a temporary arrangement for certain purposes. It must, therefore, be wholly illogical.

I wish to point out in reply to my Honourable friend, Mr. Neogy, that these constant challenges of corruption in all and every Department of Government are a boomerang, which unfortunately sometimes strike those who throw them. I do not believe in the validity of these wholesale charges. We know that there is corruption. We know that the Government of India are taking energetic measures to deal with the many cases that come to light, cases which are found in every community, in every class and I am afraid in every race. But it does not help to fling these widespread charges without any justification at a body of public servants who are doing their best

Mr. K. C. Neogy: I think my Honourable friend must be referring to somebody else. I never used the word, corruption, nor did I refer to the general prevalence of corruption.

Sir F. E. James: The Honourable Member referred to this Government as a government of coercion and corruption.

Mr. K. C. Neogy: Yes.

Sir F. E. James: If that is so

Mr. K. C. Neogy: Corruption in the sense that they corrupt the public sense of duty by the lure of office. I explained it clearly and perfectly.

Sir F. E. James: My Honourable friend's meaning of the word 'corruption' is surely not the same as mine. I understand perfectly what he meant.

My Honourable friend, Mr. Krishnamachari, also made a number of statements to make out the inefficiency of this Government and the corruption of the people in it. But I notice that he adduced only one instance of what he called the mistaken policy on the part of the Government of India, and that was immediately challenged by the Honourable the Finance Member. I do suggest there is an air of unreality in this discussion unless Honourable Members can bring in support of their arguments specific instances which show that their arguments are well founded.

Mr. K. C. Neogy: Is the Honourable Member aware that the Chief Justice of Calcutta said in one of his recent judgments that "while we are being asked to try trumped up cases of corruption, where, for instance, a bottle of whisky was offered to some one, big cases of corruption are going unpunished,—by big cases of corruption, I mean about which the air is thick in Bengal"?

Sir F. E. James: I do not deny that for a single moment. All that I do say is that it is in the Honourable Member's own Province, Bengal.

Mr. K. C. Neogy: Bengal is not an exception.

Sir F. E. James: As far as this Government is concerned, as far as this House is concerned, if general charges of corruption are brought in support of arguments in favour of refusing supplies, then there ought to be some justification for those arguments, and so far, I have not heard one single Honourable Member put up a case in which his arguments have been validly supported. Sir, my Honourable friends seem to think that it is an easy matter to replace this Government.

Some Honourable Members: No, no. It is not possible.

Sir, F. E. James: Sir, if my Honourable friends think that it is not an easy matter, then surely their attitude should not be merely a negative one. If they are prepared to vote down supplies for this Government, then what is the alternative? I put it to my Honourable friends the Deputy Leader of the Congress Party and the Deputy Leader of the Muslim League Party. Both these Parties have had their chance to take part in this administration

Mr. Abdul Qaiyum: Will you agree to quit India if we agree to give power to the Muslim League?

Sir F. E. James: My Honourable friend's Party wants us to quit first; whereas the Deputy Leader of the Muslim League Party wants us to divide India first and then quit. As long as that irreconcilable position is maintained, so long must we support the interim Ministry which is carrying on effectively the King's business and is enthusiastically prosecuting the war.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Mr. Deputy President, for many years as a Member of this House and sitting on either side of this House, I have always understood that the cut motion which we are discussing today is a star Budget Cut Motion of the Session. To refuse supplies to the Executive Government has been considered as a supreme censure motion on the Government of the day by the Opposition of the day. I have listened this morning to speeches by various Leaders, particularly to the speeches from my Honourable friends of the Congress Benches and my mind goes back to the days in 1927, 1928, 1929 and even in 1930-1934 when motions were made to refuse supplies to the Executive Government and leaders sitting over there made their speeches.

The two arguments that have been advanced in support of this cut motion were that the Government of the day was incompetent, thoroughly and absolutely incompetent and that there was a great deal of corruption in the country, and some Honourable Members, either by design or by insinuation or by the express words suggested that corruption exists from the very highest. Now, Sir, taking the first point that the Government of the day is inefficient, I wonder whether it has struck some of my Honourable friends opposite to turn the searchlight inwards, to examine their own capacity, their own efficiency as to the way in which they discharge their duties as representatives of the masses of the Indian people and the manner in which they function in this House. One Honourable Member suggested that there may be some danger of the great speeches that have been made on the floor of the House today not being broadcast to this country and perhaps not being allowed to be broadcast to the great Nations abroad so that they can understand what the people of this country feel in this matter. I have a humble suggestion to make to my Honourable Colleague the Member for Information and Broadcasting, that if he would only broadcast in full the speech of the Honourable Member, Mr. Abdul Qaiyum, if he would only broadcast in full without any censorship whatsoever, for the matter does not require any censorship, except perhaps to make it more sensible, if he would broadcast speeches of one or two other Honourable Members

Mr. Abdul Qaiyum: Yes, with the photograph of yourself also, and your face should be broadcast.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: If he would broadcast these speeches, he would be doing a great service, he would be enlightening the masses of this country on the extraordinary efficiency and competence of my Honourable friends opposite

Mr. Abdul Qaiyum: You may be competent, but you are a traitor to your country.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: And the country is really missing much by not having the benefit of these very able thoughts, these very able and enlightened speeches of these efficient and incorruptible Members of this House instead of those of the Honourable Members who now sit on the Treasury Benches. I think it would be doing a great service to humanity, a service to the Allied Nations, it would be doing a service to this country itself if that could be done.

What is the good of making speeches of this kind when they perfectly know that they do not contain any truth. The reason for this bitterness is quite different. My Honourable friend, somewhere in the speech, I got very much mixed up in listening to it, my brain got a little fuddled, somewhere in the speech he referred to somebody following with their tails down the British members of Council. The whole of the Honourable Member's speech was an eloquent proof of the 'dog-in-the-manger policy' which he and

[Dewan Bahadur Sir A. Ramaswami Mudaliar.]

some other Honourable Members are trying to follow. They know perfectly well the difficulties of having a National Government. They know perfectly well the reasons why we Members are here on the Treasury Benches. They have a sense of frustration. I understand it. I would even go so far as to say I appreciate that. My Honourable friends opposite have been repeating that we are just automata, that we cannot know what we are doing, that we are just following blindly, led blindly by our three European Colleagues and then by Whitehall. It may be so. It may not be. But the real automata are there. They cannot think, they are not allowed to think. They must follow the dictates of somebody for all time to come, whatever their conscience may say, whatever their reasoning faculties may dictate. They are the automata, they are the people who blindly follow, because they must so discharge their functions; theirs is not to reason why, but theirs is but to vote and.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammedan Urban): And die.

Sardar Mangal Singh: Stale argument.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: My Honourable friend has taken the word out of my mouth, but when the time comes, I will add.

This is not the way in which a serious motion of this kind, a censure motion could be carried out. The sense of frustration is there, they are not allowed to take part in the Government, they were not allowed to accept the Cripps offer, they were treated as children by their great leaders; the members of the Working Committee were called children because they were wasting their time in discussing the Cripps offer instead of turning it down at once without any further examination. These are the children now coming and teaching us. Those are the children, those are the inefficient people who are sitting on those Benches, children who have not got the courage of their convictions, children who have not got the courage to say one word against their divine or semi-divine leader. What is the good of saying that this Government is this and that Government is that? You are not in a position to carry out your obligations or to represent the wishes of the people.

There is one other matter that I should like to refer to and I would like to refer to it in a more serious tone.

An Honourable Member: Were you not serious all this time?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I could not possibly be serious in dealing with children like them.

My Honourable friends speak of nationalism; they are great nationalists and they have the conscience of the nation in their pockets. I wish it would come out of their pockets sometimes. They are the people who are thinking day and night of the country and of the masses; the Indian Members here,—and I am now talking of Indian Members,—do not think of the masses.

An Honourable Member: You care only for your pay and your *paggree*!

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: My Honourable friend cannot command the dignity to wear a Madrassi *puggri* and he knows it very well.

What is the argument that they use. These nationalists are the first to pick out the Indian Members of Council and talk of them in disparaging terms and in contemptuous language and hold them up to ridicule; and they think that is the greatest national service they can do. But as a matter of fact if they had even an ounce of national spirit they would feel that that is the last thing they should do.

Mr. Badri Dutt Pande (Rohilkund and Kumaon Divisions: Non-Muhammedan Rural): You have fallen into the Dead Sea.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Therefore I am keeping afloat all the time. My Honourable friend has not seen Dead Sea; I have. (Interruption from Congress Benches.) My Honourable friends are getting excited. I listened to them in absolute patience and with calmness.

An Honourable Member: We are trying to save you.

Mr. Deputy President (Mr. Akhil Chandra Datta): There must be less of these interruptions; let us proceed seriously.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: My Honourable friends know very well what the difficulties are in the way of forming a national Government. What is the good of hiding our head like an ostrich in the sands of prejudice and trying to forget the real difficulties in the way of forming a national Government? My Honourable friend, Sir Frederick James, referred to marriage and "licit" and "illicit" arrangements; my Honourable friend, Mr. Abdul Qaiyum, the Leader of the Congress Party here spoke, if I may use the word, of tele-cohabitations, six thousand miles apart. I am not competent to follow my Honourable friend, Mr. Abdul Qaiyum, into the mysteries of such functions. But I should like to say that this is all the language of distressed incapacity; this is the language of frustration. They do not know what to do; they are in the wilderness and they cannot follow any lead. They know that the lead that has been given is absolutely fruitless and will lead them nowhere at all; and they know very well that if that lead is followed there can be nothing but wilderness for a long long time to come. And the realisation of that fact makes them more bitter than ever, and the result of that bitterness is abuse, violent and virulent abuse and inconsiderate abuse. We realise that and therefore if my Honourable friends opposite find that the Members on the Treasury Benches do not take them seriously and are only prepared to laugh at the violent abuse that they shower on Members here, it is because they know that that abuse is the result of a feeling of frustration on their part, a frustration for which they are solely and wholly responsible.

Mr. Lalchand Navalrai (Sind: Non-Muhammedan Rural): Come and give them a lead.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: My Honourable friend from Sind must know that no lead, however wise, is followed by him or some of his friends. It is a waste of effort. I am perfectly willing to put my ideas before anybody and before any group of persons. I do not pretend to give a lead; I am not a leader, but I should like to say that the crying need of the hour today is to try to understand each other's point of view. My Honourable friend is a glorious example, day after day at question time in this House, of the incapacity to understand the other man's point of view. What hope is there for this country, I ask in all seriousness and in all humility, what hope is there for the future of this country and for a national Government for the next 25 years if such is our mentality?

An Honourable Member: God help you!

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I say, God help us! If that is the spirit in which representative Members elected by the masses of the people, knowing the feeling of the people and responding to their wishes and coming forward here to put forward their views, are prepared to examine questions and look at each other's point of view and to have a policy of give and take, I say that for the next 25 years you can never dream of a national Government. But I do not despair, because I believe in, I believe profoundly,—and that is a conviction with me which I have expressed here and in other countries,—that there are many many sensible people outside Sind and outside some other parts of the country, and that they will not allow this outlook to continue. They will come to terms; they will try to understand the other man's point of view; and in that hope lies the possibility of this Government going out and of another Government coming in. I am not referring to individuals.

Honourable Members spoke of my second term of office for another five years. My Honourable friend, Sir Frederick James, has anticipated what I had to say: and let me tell you that after five years of office he must be an extraordinary man indeed, even though he may be the most selfish of men looking only to his pocket and to his rupees, annas and pies, who looks forward with intense pleasure and delight and with complete equanimity to another full term of office as Member of the Executive Council. I say that with

[Dewan Bahadur Sir A. Ramaswami Mudaliar.]

some feeling. These are not the days when it is pleasant to be a Member of the Executive Council, not because of the abuses of my Honourable friends opposite,—that is the least that disturbs us,—but because of the cares and anxieties which must surround any Member of the Government of India who takes his task conscientiously. (*Voices of, "Oh, Oh!"*). My Honourable friends may say, 'Oh, Oh!', because they are just gramophones of somebody else; they themselves have no feelings, no reasonings and no conscience behind them, just automata of somebody else. But it is a difficult matter for any one with conscience to contemplate with equanimity a long term of office in these difficult conditions. This Government will go, quite apart from individuals, when Members opposite have that capacity of give and take and try to understand each other's point of view, and above all, seriously sit together and see whether the accommodation of the varying points of view is possible, and in what way a certain amount of understanding,—I will not use the hackneyed word 'unity',—as a basis of co-operation can at least be arrived at,—and to that extent I and my Indian colleagues are devoted to the task of bringing about that understanding. And I wish that Honourable Members there would at least in their dreaming moments, if not in their waking moments, sometimes think of that aspect of the question. Sir, I have done.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadian Rural): Sir, I have a great deal of sympathy for the point of view which Sir Ramaswami Mudaliar has just now expounded. But even a cursory glance at the history of the last five years has shown to me that the whole of the alphabet is not enough to describe the sins of omission and commission of the Executive Council. I have casually noted down what their sins are and I find that they are arbitrary, barbarous, callous, dangerous, extravagant, false, galling, hideous, iniquitous, jerrymandered, kleptomaniac, ludicrous, monstrous, negative, obtuse, paralysing; queer, repressive, sham, tyrannical, unctuous, vindictive, wanton, xantippe, yellow and *zubberdust*. I have exhausted the alphabet but the sins of omission and commission of this Government are not yet exhausted, and in my speech I will only deal with a few of them. The first is that they are terrorists. In the name of putting down the sabotage movement of the Congress, from which I entirely dissociate and in putting down which I wholeheartedly supported them, I cannot ignore the fact that Government have mixed up the innocent with the guilty all the country over. The terrorist movement of this sabotage was at least not under any leadership, but the Government of India are a constituted Government and when Government runs amuck and not only kills innocent men, boys and girls, they are answerable for that before the bar of world public opinion. The Honourable the Leader of the House had promised us on the floor of this House that if any Provincial Government official takes excessively harsh measures not required by the circumstances of the case, the Provincial Government will enquire into the matter. Will he tell me of a single case in which an enquiry has ever been accepted? My Honourable friend, Sir Sultan Ahmed's promises still remain unredeemed let me tell him. At Nandurbar in my constituency you have killed innocent boys and wounded, and maimed innocent boys and girls. The Bombay High Court and a judicial officer have more than once denounced your pretensions. Two *ex-Advocate* Generals of Bombay—Government officers—have called your action as pure murder. I have pleaded on my knees requesting you to look into the conduct of these murderers. No reply. All that my Honourable friend, Sir Reginald Maxwell, has been kind enough to say is that my information is wrong. I hope that the conscience of the Government of India will revolt against these monstrous actions of the executive in the name of putting down the sabotage movement. I, therefore, think that the Government of India have got to regain their reputation as the protectors of their citizens. The next thing I have to say relates to official corruption. Nobody has denied that there is corruption. I am not even surprised that there is corruption; when so much money lies in front of an official and when the Government is spending four crores every week, I am not surprised. But what has

the Government done to remove corruption? Only in the Railways they have tried to do something, but they have gone to the other extreme of sending *agents provocateur* to trap the railway workers and if the present procedure goes on, no worker on the North Western Railway will be outside jail within the next six months. Railwaymen are under-paid, starved, exploited and one man at least told me that he was taking bribe. The salary of Rs. 60 which he was getting was not enough and he had seven reasons for taking bribe—One wife and six children, whom he was bound to maintain even at the expense of taking bribes. This honest confession of a poor railwayman sank into my heart. But it also made me feel the monstrous crime of the Railway Administration which while pocketing fifty-two crores of surplus will deny and wantonly and contemptuously deny to its employees something in the nature of modest competence. But that is what they have done.

There are a few other things to which I shall refer within the next few minutes: The next is that the Honourable the Finance Member complains that he had difficulty in securing the right kind of personnel in working the various controls and in making so many of his measures successful. Has he taken advantage of Indian talent? They are importing experts by the dozen who don't know where Calcutta is or where are importing experts by the dozen who don't know where Calcutta is or where Bombay is. You know one novel was written by an Englishman in which it was said by the author that Bombay was in the Bay of Bengal; in the next edition he corrected it by saying that a though Bombay was not in the Bay of Bengal geographically but for the purposes of his book it still remained in the Bay of Bengal . . .

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Perhaps it deserves to be in the Bay of Bengal!

Mr. Jamnadas M. Mehta: I have much to agree with my Honourable friend, but we have our own Arabian sea. We need not go to the Bay of Bengal.

Sir, my Honourable friend, Sir Frederick James, rightly pointed out that there was some kind of illicit love lately between the Congress and the Muslim League Parties in this House. I assure him that is a passing show. There is no reality about it, and that is the danger of this motion that they are not agreed in fundamentals.

An Honourable Member: Who agrees in fundamentals?

Mr. Jamnadas M. Mehta: I agree on fundamentals of a right kind, but I do not agree with these cuts behind which there is absolute hatred of each other and the only tie which binds you is a momentary irritation against this Government without any actual sense of national consolidation in the interest of this country.

Sir Muhammad Yamin Khan: This is a step towards that direction.

Mr. Jamnadas M. Mehta: Such an unreal motion I would never support. I would have opposed it but for the fact that this Government deserves to be left to its fate. If this Government were slightly better I would have come to their assistance but today I want to leave them to their fate and whatever they deserve they will get.

Then, Sir, I will point out some of the more glaring failures of the Government of this country. My Honourable friend, the Commerce Member, is dealing with cloth, and he knows what his problem is, what his difficulties are, and what he has been doing to solve them. He has my sympathies, he has been giving every encouragement to those profiteers who have such swollen profits that Ahmedabad alone is going to pay forty crores to the Finance Member. Such unprecedented exploitation, such unprecedented price level in this country was only possible because the Government have friends in the textile business. If the Government had treated these exploiters with the severity with which they have treated the Congress sabotage movement, the public would not have gone naked. This much I must say that the exploiters and the profiteers in cloth deserve ten times more severity than the misguided youths of the sabotage movement. But amongst them the Government have friends, and I must say

[Mr. Jamnadas M. Mehta.]

it will ever remain to the discredit of this Government that against the textile trade they have collapsed and capitulated while always threatening to do something. What is the price of cloth even now, and what is the cost of manufacturing it? Will they even now compare? Is it justified by the present cost of manufacture? Nothing of the kind. And still those who are defying the law for the last six months are getting one extension after another from the Commerce Member to pursue their nefarious activities.

In regard to food, in spite of the tragedy of Bengal what has happened? After all the thunder which marked the Viceregal speech against profiteering, the Bengal situation has simply boiled down into feeding of Calcutta. The rest of the province of Bengal is still left to the tender mercies of an absolutely incompetent Government; only Calcutta is to be fed. I am sure not in the interests of the Calcutta population, but of my Honourable friends the Clive Street magnates. If they were not there, even Calcutta would have to starve and therefore both in the matter of food and clothing the Government have egregiously failed to discharge their obligations.

Then about the contemptuousness with which the Government looks on this House, I want to point out—and Mr. Neogy did so the last time—that you have taken credit for Rs. 10 crores when the Assembly had thrown it out. Another thing which you have done is that without a Resolution of this House you have taken credit for Rs. 32 crores out of the surplus which becomes the share of the general revenues. Where is the Resolution of the House to that effect? There is no authority behind it and yet you have pocketed this sum without the sanction of this House, which you were bound under the convention to obtain.

At the top of it the whole mischief is the Finance Member. I have gone to department after department for dearness allowance for the poor workers. Each departmental secretary is most solicitous and sympathetic. He says he has represented my case to the Government, that the Government are seriously considering it and that he has said to Government more than I would have said myself. They started saying this in September. October is gone, November is gone, December, January and February are gone. March is going, April will be gone. But whether the Finance Member, who sits like the mother-in-law on the daughters-in-law of the other departments will ever make up his mind about relief to the poor still remains a mystery. I can see from the features of the departmental heads with whom I talk that they themselves were disgusted with the delay that was taking place, but until the word came from the top nobody could distribute the dearness allowance. Even about these railway fares, I am not prepared to say that the Indian Members have not played their part. I am absolutely certain that every Indian Member of the Executive Council voted against this rise of 25 per cent. I have no means of knowing but I have a sixth sense. I say that every Indian Member—if there is an exception, it will prove the rule—voted against it. I am told even the Commander-in-Chief voted against it because he did not want the families of 20 lakhs of soldiers to be hit by the higher rates, and I am told it was carried only by the casting vote of the Viceroy. This is all information, I am putting it for what it is worth. It may be worth much or it may be worth nothing but at least these are the reports and that even European Members have their consciences roused very often and yet I do not know what will be the fate of the absolute verdict of this House on this issue.

Mr. Deputy President (Mr. Akhil Chandra Dutta): Your time is up.

Mr. Jamnadas M. Mehta: I will finish now. But for the war, I would have voted for the motion of my friend. In the war, with which I am wholeheartedly associated. I cannot do without a Government however bad it is and however much I have decried it.

Dr. P. N. Banerjee: Sir, I had no desire to speak,—even now I have no desire to make a speech on this motion. But the three reasons which were

advanced by my Honourable friend, Sir Frederick James, against the motion have compelled me to advance seven good, valid and important reasons for supporting this motion.

Sir, my first reason is that the Members of the Executive Council have placed a very heavy burden of taxation on the people, a burden which is too heavy for the people of India to bear.

My second reason is that the Members of the Executive Council are incurring a huge expenditure, particularly on the defence side, which is too huge for poor India. Further, the bulk of this expenditure is non-voted, only 1/3 of the expenditure being votable; but even over this latter we have only a limited measure of control.

My third reason is that the Members of the Executive Council have not been able to prevent the greatest disaster which has befallen this country since 1771. I refer to the famine in Bengal which has carried away not less than 2 to 3 million of persons.

My fourth reason is that the Members of the Executive Council have not been able to safeguard the economic interests of the country.

My fifth reason is that the Members of the Executive Council have kept in prison or in detention large numbers of people without trial for long periods of time, and some of these men and women have died in detention or in prison.

My sixth reason is that the Members of the Executive Council are not responsible to this House or to the country.

My seventh reason is that these Members of the Executive Council are not even responsive to this House because we find that the votes, the resolutions and the speeches of the elected section of this House are not only disregarded but are treated with the utmost contempt.

For these seven reasons I support the motion which has been moved by my Honourable friend, Mr. Abdul Qayyum, and I hope and trust that every single elected Member of this House, unless he is completely dead to his sense of duty, will support this motion.

The Honourable Sir Reginald Maxwell (Home Member): I had no great desire to take part in this debate but I wish to reply to one or two points which have interested me in the speeches which have been made. In the first place, the Honourable Member Sir Muhammad Yamin Khan in supporting this cut motion charged the present Government with being undemocratic. He said that is not a democratic Government and he, therefore, urged that the Members should resign, apparently as a protest against their own undemocratic character. I am far from admitting myself that, merely because a Government does not conform to a certain constitutional prescription, it is, therefore, on that ground necessarily undemocratic.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

My own view of a democratic Government is one which keeps in view all the time the interests of all the people in its charge and not those of any particular section.

Mr. T. T. Krishnamachari: That is a new definition!

The Honourable Sir Reginald Maxwell: That is my definition. It is not a constitutional definition, but I do say that a Government, however constituted, whether according to certain constitutional democratic forms or not, can pursue a democratic policy in the sense that I have mentioned, and I claim that this Government has been doing so. But to take the charge literally of being undemocratic, I am far from denying that this Government in that limited sense is not democratic and could not be under the 1919 constitution under which it is constituted. To make it democratic in the sense apparently desired by the Honourable Member it would be necessary to have constitutional changes of a most complicated character and on a very large scale—I quote the words used by Sir Stafford Cripps at the time when he left this country. If that is the position how can the charge of being undemocratic or of being not democratic be levelled against individual Members of the

[Sir Reginald Maxwell.]

Treasury Bench? The mere fact that the constitution does not permit this Government to be democratic in that manner is not a reflection on the existing Members of the Government, Indian or European. The answer, of course, to the charge is, if we were displaced, if we resigned, as the Honourable Member asked us to, what other more democratic Government could be formed under the existing constitution. You would have a change of personnel, but that would not make it democratic.

Dr. P. N. Banerjee: The constitution cannot be changed?

The Honourable Sir Reginald Maxwell: If the personnel were changed, it might be as democratic as this Government or it might be less democratic, but in the constitutional sense it would not be more democratic than the present Government. I am indeed rather surprised to hear this ground advanced in support of the cut motion proposed by the Congress Party. I should like to ask the House what has the Congress record been in regard to democratic institutions?

I have on a previous occasion during this Session reminded the House of how when the Congress Ministries were in a position to carry on the Government by democratic means, they withdrew those Ministries and they withdrew them or caused those Ministries to resign, not at the behest of the electors who sent their representatives from whom those Ministers were drawn—not at the behest of the electors, but under orders from Wardha. Is that democratic? If it comes to that, I have still to discover that Congress in its ordinary methods of working is a democratic body, for as far as I have been able to observe, all that happens in the working of that elaborate institution, is that decision ready-made by the Working Committee are presented to an obedient Congress meeting which duly ratifies them, and there is certainly no favour shown to those who wish to go against those pre-arranged decisions.

Another argument that has been advanced is that this Government is unrepresentative. That was the argument of Mr. Krishnamachari, and he explained it by saying that this Government does not represent any major party.

Mr. T. T. Krishnamachari: Not even any major party.

The Honourable Sir Reginald Maxwell: May I ask, are brains and patriotism, dependent on membership of any particular political party? I would rather put the matter the other way round and say, if the law were, as it should be, that no one should be allowed to belong to any particular political party unless he had passed a certain qualifying test in brains and patriotism; but I am afraid that would be fatal to certain political parties. I deny that brains and patriotism are the monopoly of any particular political party.

But the main point which I wish to make before I sit down is in regard to the discrimination which has been made in a number of speeches between the European and Indian Members of the Executive Council. Some of the speeches which have been made have contained certain imputations that the Indian and European Members of this Council owe different loyalties, that their loyalties are not one and the same. In fact, I think it was the Honourable the Mover of the cut motion who said that he even accepted that as a reasonable proposition. I say that any such imputation is not fair either to the Indian or to the European Members of this Council. The European Members equally with the Indian Members must repudiate that allegation or any allegation that in discharging their onerous duties they do not put India first all the time. I myself have been a Member of this Council for the last six years. I have seen it through its various stages of development during this war. I was a Member of it before it was first expanded, I was there during all the successive stages of its expansion, and I can tell this House that at no time since I have been a Member of this Council, has the sense of collective responsibility been higher than it is at the present day. Any idea that Honourable Members taking part in the decisions of Government are inspired by different loyalties is entirely a travesty of facts. We are all conscious of

being members of a corporate body and of participating in its decisions, and I should be very surprised to hear of any important decision on the policy of Government which was not literally as well as technically a decision of the whole of this Executive Council.

An Honourable Member: Unanimously?

The Honourable Sir Reginald Maxwell: I myself have been proud to be a member of a body in which I felt that Indian Members took part in the decisions of this Government with me, and I have never at any time had any sense of any distinction between different sections of the Executive Council of this country in the work which they had to do. The ideals which have inspired all of them have been the same. . . (Interruption) . . and I would like to put that point very seriously to the House, because when these loose allegations are made,—many of them are not very seriously meant I am sure,—I would assert that during the time that I have served on this Council, not least of all during the time when we have had an increased number of Indian colleagues, this Government has always put India first, and that it has been successful in carrying this great country through a time of unparalleled difficulty and danger. It is no light responsibility that rests on the shoulders of the Members of this Executive Council. It is no light responsibility to have the care of the destinies of one-fifth of the world's population in a country of the enormous size of India, and when that country is exposed to all the extraordinary and new stresses set up by a world war over which it has no control.

Mr. T. T. Krishnamachari: You are getting over it by putting them in jail!

The Honourable Sir Reginald Maxwell: I, therefore, wish this House in fairness to recognise that this Government, whether they like it or not, is not self-constituted. It is constituted under a constitution for which we are not responsible, it has done as much for this country as any purely political party Government could have done. It is not a fair charge to level against us that this is not a political Government. The country must judge it by the results, and I do claim that the fact that this Government has seen this country through this war to this stage without any more serious breakdown or any more serious difficulties, is at least something for which the country might be slightly thankful instead of casting aspersions on the Honourable Members of this Government.

Sir, I oppose the cut motion.

Nawabzada Muhammad Liaquat Ali Khan: Mr. President, the only non-official Indian Member of this House who has opposed this motion is my Honourable friend, Mr. Siva Raj. (An Honourable Member "Rao Bahadur".) His reasons for opposing the motion, I should say, main reasons, were two. One was that if this motion was carried the Executive Councillors will cease to hold office and, therefore, he will be deprived of having the privilege of asking questions on the floor of this Honourable House. I think my Honourable friend's conclusion is based on his ignorance of the budget and the constitutional position. The salaries of the Honourable Members of the Executive Council are non-voted and, therefore, my Honourable friend will still enjoy this high privilege of asking questions and getting replies which in some cases are not even efficiently given. The second reason which he advanced was that he had great regard for his leader, Dr. Ambedkar. I can appreciate his sentiment. In other words, he has opposed this motion and supported the Government on account of purely personal reasons. On principle, Mr. President, he agrees with us but on account of personal and private reasons he is opposed to it.

Rao Bahadur N. Siva Raj: You have left out my other reasons.

Nawabzada Muhammad Liaquat Ali Khan: The other reasons were not worth noticing. My Honourable friend, Sir F. E. James, said that there was a temporary love affair between the Congress and the Muslim League. My friends of the European Group cannot even stand a temporary alliance between

[Nawabzada Muhammad Liaquat Ali Khan.]

these two great parties and yet they are very loud in exclaiming that there should be unity between the Congress and the Muslim League.

Now, Sir, my Honourable friend, Sir Ramaswami Mudaliar, to whose speech I listened with great attention, accused the Deputy Leader of the Congress Party that his speech was the outcome of a sense of frustration. If his speech was the outcome of a sense of frustration my Honourable friend's speech was the outcome of anger. What I really expected from the Honourable Member was a justification of the expansion of the Executive Council. He should have told this Honourable House that since the expansion of the Executive Council things in the Government of India have materially changed. He has not told us that. Now, Sir, if my Honourable friends would recall, in 1941 the first expansion of the Executive Council took place and it went on expanding from time to time. The chief object of the expansion of the Council was not to give employment to so many capable persons but the chief object was that by having a large majority of the Indians on the Executive Council the people of the country will have greater confidence in the Government of India and therefore the object which the British Government had at heart of securing the full co-operation of the country would be facilitated. The debate on this motion has shown that the chief object for which the Executive Council was expanded has not been secured. Every section of this House which represents every shade of opinion in the country has condemned the present Government of India and let me tell my Honourable friend, Sir Ramaswami Mudaliar, that the condemnation is not based on individual merits or demerits. It is not a case of Sir Sultan Ahmed or Sir Ramaswami Mudaliar or Dr. Ambedkar. It is a case that the object with which the finances of the country were burdened has not been achieved, that the complexion of the Government of India, their policy, their actions, have not changed in the slightest degree from what they used to be before the expansion took place. I know, as we have been told, the constitutional position under the Government of India Act. I am fully aware of that position and I know that under the present Act whatever Members adorn those Benches they would not be responsible to the non-official Members of this House, but surely there is nothing to prevent them from being responsive to the Honourable Members of this House. You may not be responsible but if you really feel that we in this House are not the enemies of the country, and that you sitting over there are not the only friends of India, then we certainly expect that you would be more responsive if under the constitution you cannot be responsible. In spite of the fact that the Assembly is constituted in a manner where the Government has got 39 votes in its pocket and 8 votes of the European Group which are always at its disposal, in spite of these facts, even the decisions which are taken by the House against the Government are not given the slightest heed. It only happened yesterday. This House by a majority carried a cut motion demanding from the Government that the Railway fares should not be increased. What is the reply of this Government? If it had any regard for the opinion of the Members of this Honourable House and for public opinion in the country, it would have gladly accepted that decision, but my Honourable friend the Member for War Transport gave, I do not want to use a strong term but I do not think I can use any other expression which will convey my meaning better than this, a dishonest interpretation of the cut motion which was passed by this Honourable House.

Now, Sir, a Government which does not pay the slightest heed to the decisions of this Honourable House, which does not take into consideration the public opinion in the country, how can that Government expect any support or any appreciation by the Indians? I am not going to accuse the motives of the Honourable Members who are over there and they may be occupying these positions believing in their heart of hearts that they are rendering a great service to the country. I do not cast any aspersions on their motives, but surely their reason cannot be so blinded that they cannot see that the country

as a whole, and every party in the country, is not satisfied with the manner in which the Government of India is being carried on.

Sir, this motion is for not giving the supplies to the Executive Council. We whole-heartedly support this motion with the object of showing to the world at large that the present Government of India does not have either the support or the goodwill of the peoples of India; that the present Government of India, which is being paraded before the world as a Government of whom two-third Members are Indians, is not a Government which could secure the object for which the expansion of the Executive Council had taken place. Every day in the House of Commons the spokesman of the British Government gets up and repeats parrot-like that the Government of India is an Indian Government and that whatever decisions are taken are taken by the Indian Members of the Executive Council. I am saying "Indian Members of the Executive Council" because their number in the Executive Council is overwhelming. To that extent, the Secretary of State is perfectly justified; but he should also state, if he were honest and if he wanted to give a correct position, that the Indian members of the Executive Council are those who do not have any following in the country. This fraud that the present Government of India is an Indian Government has been practised for the last three years on the world. We can no longer be a party to the perpetration of this fraud. We must state clearly and unequivocally that the present Government of India, in spite of the fact that its ten out of fourteen Members are Indians, is as irresponsible and as unresponsive as it has always been in the past. That, Sir, is the reason why we support this motion. I appeal to every Honourable Member of this House that every vote that is cast in favour of the Government on this occasion is a vote for the perpetuation of this fraud which is being practised by the British Government on the whole world.

Sir Cowasjee Jehangir: Sir, may I be allowed to say in the very beginning that my Honourable friend's speech who has just sat down has raised the level of the debate to a considerable extent. Although I do not agree with the Honourable Member in all he has said (Interruptions.) I see that the old tactics of interruption that was most prominent four or five years ago is again being attempted even before an Honourable Member has even had time to express an opinion. We have listened to Honourable Members with whom we have not always been in agreement with the greatest patience and with the greatest attention and if I happen to disagree with any of the Honourable Members' opinions expressed today, I expect that I will be listened to with the same patience if nothing else.

Sir Syed Raza Ali (Cities of the United Provinces: Muhammadan Urban): Don't be too touchy.

Sir Cowasjee Jehangir: I was saying and I repeat that had it not been for the Honourable Member's speech just delivered I would not have been tempted to rise and address this Honourable House for a few minutes only. We all know and we have said it *ad nauseam* in this Honourable House that the Treasury Benches do not represent the people of India and I have said it more than once that the Treasury Benches are the agents of the Secretary of State for India. My Honourable friend, the Home Member, has made it perfectly clear that that is the constitution of 1919 and we are working under that constitution today. We have said it so often that I should have thought that it need not have been repeated. We have protested against it. We have on more than one occasion before the war thrown out budgets and, when Sir James Grigg was on these Benches, on three or four consecutive occasions mostly on grounds that this Government was not responsible to this House. And if we made any radical changes in the budget, we knew that the powers of certification would be used. That unfortunately continues to be the position today. But I want one answer to an important question from my Honourable friends opposite. That question is: Why are these Honourable Members still on these Treasury Benches in 1944? And why is it that one distinguished Member should get an extension even for five years? Whose fault is it?

Mr. K. S. Gupta (Ganjam cum Vizagapatam: Non-Muhammadan Rural): Treachery.

Sir Cowasjee Jehangir: It is our fault. Let us put the searchlight upon ourselves and let us not go on day after day repeating the same complaints without making a bold attempt to remedy the position. Was it in our power to remedy? I definitely answer that question in the affirmative. Is it in our power to remedy? I definitely answer that question also in the affirmative. And if we have not remedied it, the fault is yours and mine; the fault does not lie with the Treasury Benches. How is it and why is it that the position has not been remedied? Did we get that opportunity? Can anybody deny the fact that the opportunity was given to remedy the situation to a great extent without changing the constitution of 1919 and that opportunity was neglected? Can anybody deny that fact? Why was that opportunity neglected? Because there were such fundamental differences of opinion, between different sections and schools of thought in this country that we could not see our way to have a coalition Government to take the place of the nominated Government that sits here today. Let us not blindfold our eyes, let us not plug our ears and drug our conscience and console ourselves by abusing, if you like, however much it may be justified, those who are in power today. Why is it that efforts are not made to come to a compromise between the two great schools of thought? It is sheer obstinacy. If there was no Government sitting here today I contend that there would be only two alternatives left to this country either to come to a compromise or to have revolution and civil war. Because these Honourable Members are here to carry on the Government of this country in most dangerous times, that compromise is not effected, nor is there revolution nor civil war. That is the position. I do not know. I am no prophet, but if this Government refuses to act, and gave my Honourable friends opposite and the country six months time within which to effect a compromise, I do not know whether such an experiment would be for the good of Mother India, or would it end in civil war? Do not, I pray Honourable Members opposite, content yourself by going on grumbling and abusing the present Government who are after all carrying on the government of this country to the best of their ability, however wrong they may be in your opinion in certain actions they take. But this debate ought to be an eye opener at least to some of us that the time has come when the two great political parties in this country must come to a compromise. We hear a good deal about democracy. My Honourable friend, Sir Muhammad Yamin Khan, asked the Honourable Members on the Treasury Benches to resign in the name of democracy. Truly, I was getting nervous. I was beginning to shake in my shoes. I was feeling that the next moment my Honourable friend, Sir Muhammad Yamin Khan, was going to tell the Members of the Government that he was going to send back his Knighthood tomorrow.

Sir Muhammad Yamin Khan: But you were going to put on a khaddar cap, all right.

Sir Cowasjee Jehangir: I am glad he did not go to that extent. Let me tell my Honourable friend, Sir Muhammad Yamin Khan, that the foundation and basis of democracy is compromise. (Interruption.) I am also an Indian and until we learn what it is to compromise, what it is to give and take, we do not know the meaning of the word 'democracy', and let us not use it too freely and too frequently in a country like India. To talk of democracy and continually to go on bickering, quarrelling and abusing each other, arguing on the most petty points when your country is burning to death and not coming to terms, and then to talk of democracy! Let us learn the true meaning of democracy, let us learn that the foundations of democracy is compromise, let us not belittle each other's powers or each other's influence, I candidly and conscientiously believe that the two great political parties are the Congress and the Muslim League, let not the Congress belittle the powers or the influence of the Muslim League, do not go on from day to day saying that they should be neglected

Dr. G. V. Deshmukh: Keep this advice for yourself.

Sir Cowasjee Jehangir: I am giving this advice to you and to men like you who have been the ruin of their country and to men who have not felt one atom for the country.

Dr. G. V. Deshmukh: You have prospered all right.

Sir Cowasjee Jehangir: You never thought about the good of the country.

Dr. G. V. Deshmukh: We have all gone wrong and you alone are right. Keep the advice for yourself.

Sir Cowasjee Jehangir: You are not fit to be here.

Dr. G. V. Deshmukh: Stick to your horse.

Sir Cowasjee Jehangir: Let, on the other hand, my Honourable friends of the Muslim League realise that after all there are millions and millions of others in this country who are not of the same persuasion as the Muslim League. Unless we learn the real and true meaning of the word democracy, such cut motions are futile, they are academic discussions which lead us nowhere, which leave us where we were and will leave Honourable Members on the Treasury Benches for years to come sitting where they are and will leave Honourable Members opposite on the same Benches.

Sir Muhammad Yamin Khan: Vote against them.

Sir Cowasjee Jehangir: I am going to oppose the cut motion realising that behind it there is nothing solid and unless I realise and am made to realise that the meaning of the word 'democracy' is really beginning to be understood in my country, I will go on continuing to vote against such cut motions.

The Honourable Sir Sultan Ahmed: Mr. President, Sir, I confess I listened with deepening disappointment to the speeches made by my Honourable friends opposite, for I had not ceased to entertain the hope that, even though their purpose is to censure the Government, their statements do not indicate a constructive approach, some faint modicum of a realistic appreciation of the situation facing the country, on which might be based our endeavours for the future. Instead, we have been treated to long disquisitions on generalities, we have listened to allegations and charges which have been answered times out of number from the Treasury Benches. It is not necessary for me to deny the sincerity of purpose of my Honourable friends opposite, but if only their idealism had been graced with practical judgment, or a sense of reality, we should not now have been in this predicament.

The Honourable the Deputy Leader of the Congress Party made a speech by which he threw stones at other Departments, there was bribery in the Supply, Commerce and Food Departments, appointments were being made by Government by nepotism, the whole of the price control was rotten and so on but he gave his whole case away by saying, 'I am against the Indian Members'. Sir, with that feeling in his mind and heart, I never expected any justice from him. I, however, belong to that school of thought which follows the doctrine of *ahimsa*. I am not against the Congress Party. I have only real pity for them and nothing else.

My Honourable friend Sir Yamin Khan asks us to resign and rise superior to the occasion. I only wish my Honourable friend could turn round to the Congress party and ask them to rise superior to the occasion and come to his party and come to some understanding with that party.

My Honourable friend, Mr. Neogy, apprehended that the speeches delivered on the floor of the House on behalf of some of my Honourable friends opposite will not be broadcast or sent overseas. I can give him that assurance that they will be. But I should like a request to be made by them because personally I feel that I will be doing a good turn to them if I do not send their speeches abroad, because—and I say so without meaning any disrespect to the House—the standard of the debate, until it was raised by an Honourable Member on the Treasury Benches and the Deputy Leader of the Muslim League, did not reflect much credit on this House. Sir, it is but natural that my Honourable friends should seek to put the best construction on their actions and their attitude in the past. To this I cannot and do not object. But I quite decline to agree that they have the sole monopoly of public spirit, political judgment

[Sir Sultan Ahmed.]

or even of patriotism; and I must say emphatically that the cause of the country is in no way less dear to us than to any of my Honourable friends on the opposite side of the House, even though we do not so often make public demonstration of lofty motives. Sir, the appeal to ideal motives does not sanction all the conduct that is ostensibly based on it. Things would be simple if all people drew identical conclusions from the same data. There would then be no disagreements or misunderstandings and all could march shoulder to shoulder to the common goal. Unfortunately the world is made far otherwise. The man who wants to achieve anything in this world of action has to take account of the character and policy of others and arrive at a practical compromise on which both could co-operate. It is not the part of a political adult to sulk in a corner because he cannot have the moon. By asserting their own lofty patriotism my Honourable friends opposite do not prove the depravity of Government. Their righteous indignation only unfits them for co-operation with others and condemns them to a sojourn in the sterile wilderness when so many worthwhile tasks await them if they will.

The attack made against Government is that it has spurned the offer of co-operation from the representatives and leaders of the people. I should like to discuss this in a little detail. My Honourable friends, Sir Frederick James and Sir Cowasjee Jehangir, just referred to that incidentally. Government have always been conscious of the magnitude of the task which confronted them, much more acutely conscious of it because of their fuller knowledge than the political parties could be. They have been so acutely aware of the advantages of public support that they have tried to secure the good will of the political leaders again and again and in spite of repeated disappointments. I am not claiming for Government any moral superiority on this score; for, both on general and practical grounds it was their plain duty to take the people with them if they could. But the charge of spurning co-operation comes with ill grace from quarters that have not only turned down every practical suggestion made by Government but have been unable to make a single counter-proposal which, given the facts of the situation, could be seriously considered. Sir, long before the war broke out the complaisance of the British Government towards totalitarian regime was a favourite subject of attack, and the Congress leaders who now condemn the anti-fascist war never lost an opportunity to inveigh against fascism. It may have been expected that these leaders who were more anti-fascist than the anti-fascist champions would have been the first to support the war against fascism when it did come; but to their appeals for support the response that Government got was an offer only of "Moral support"; and that only if Government could give satisfactory replies to a questionnaire on first principles. Sir, was this for any lack of trying by Government, any lapse of manners, or courtesy, any tactless approach or disregard of the self-assumed claims of the Congress? By no means. Of whatever else Government may be accused even our opponents cannot fairly claim that it stood upon its dignity and declined to make approaches to political leaders. Almost the first thing the Viceroy did was to send for the leaders of the two main political parties in the effort to enlist their co-operation in the prosecution of the war. What he got in reply was plenty of sympathy for Poland, etc., a series of demands for clarification on points of principle but no practical help. Not daunted by this, Lord Linlithgow got into touch with the leaders of all important political parties in the country, hoping that he might be able to evolve a common line of approach to the war question. He found a great deal of misgiving about the future constitution of India and also a great amount of uneasiness amongst the minorities. He therefore made a public statement promising satisfaction on both counts; first, that the future constitution could modify the scheme of the Act of 1935—and this is very important to remember—and that the task of revision would be primarily left to us Indians; and secondly, that the interests and sentiments of the other parties would be taken fully into account. As a practical step in the meanwhile he suggested the formation of a consultative group comprising both provincial and State repre-

sentatives to be associated with the Central Government in the prosecution of the war. Subsequently he made efforts to establish a practical compromise between the Congress and the Muslim League, on which could be based the appointment of Indian leaders to the Governor General's Executive Council as well as the formation of provincial ministries on agreed lines. The Viceroy's reward was, bitter reproaches and denunciations. His public statement was taken as a refusal of the Congress demands. The Congress ministries were therefore recalled so that they might not be contaminated by association with the war. The move towards a comprehensive Congress-League reconciliation was regarded as importing irrelevant communal matters into an essentially political question. The Congress refused even to discuss it and the whole proposal fell through.

The Congress of course did not confine itself to reproaches and denunciations. After recalling the Ministries and making section 93 administrations inevitable, a circumstance for which the Government is now being blamed, they set about to elaborate a plan for a Constituent Assembly. It was to be elected on adult franchise, it was to represent everybody, and by its labours all difficulties of adjustment of conflicting interests were to vanish like the mist before the rising sun. Unfortunately, this splendid confidence in theorist solutions was confined to the Congress. Hardly had the plan been formulated before it was denounced by almost every other political party.

Then we came to the celebrated Poona Offer, the offer of the so-called "hand of friendship". As so much has been claimed for it, it is worth while considering it a little more closely. It called for an immediate and unequivocal declaration of the full independence of India. The Congress Working Committee's resolution then went on:

"As an immediate step to give effect to it, a provisional National Government should be constituted at the Centre which, though formed as a transitory measure, should be such as to command the confidence of all the elected elements in the Central Legislature and secure the closest co-operation of the responsible Governments in the Provinces. The Working Committee are of opinion that, unless the aforesaid declaration is made and a National Government accordingly formed at the Centre without delay, all efforts at organising the material and moral resources of the country for defence cannot in any sense be voluntary or as from a free country, and will therefore be ineffective. The Working Committee declare that, if these measures are adopted, it will enable the Congress to throw its full weight into the efforts for the effective organisation of the defence of the country."

Mr. K. S. Gupta: Why this infliction?

The Honourable Sir Sultan Ahmed: The resolution promised support for the defence of the country on condition that a National Government was formed at the Centre as the first step towards giving effect to the independence of India. As to the nature of this National Government, nothing precise was said except that firstly, it should command the confidence of all the elected elements in the Central Legislature; and secondly, that it should secure the closest co-operation with the responsible Governments in the Provinces. If this meant anything, it implied the co-operation of all political parties in the Legislature, but the Congress who sponsored the scheme made no effort whatever to reach a preliminary agreement with the other political parties as to the lines on which the National Government was to be formed. On the other hand, the reactions from the other parties showed that they would have nothing to do with such a proposal, nor, I may add, even now they have done anything with such a proposal. This in itself was enough to put it out of the field of discussion. Then again, the proposal in effect was to entrust the extensive powers of the Centre in war time to the control of a Central Legislature which had been devised for very different circumstances. It is remarkable that the impracticability of such a proposal was not realised. The proposition also bristled with difficulties and objections. There was the question of how the close co-operation of responsible Governments in the Provinces was to be obtained, there was the practical problem of how the National Government was to be constituted and how it was to function, and there was the question of how the expression "the defence of the country" was to be interpreted.

[Sir Sultan Ahmed.]

Under the circumstances, the Government can hardly be blamed for being unable to accept the Poona Offer. But the indignation with which the Government's attitude was greeted made it perfectly clear that the Congress leaders lived in a world of dreams in which they alone were the effective reality, and that it was their aim and purpose to gain control of the Government on their own terms without regard to the sentiments or interests of any other parties in the country.

The Government however did not rest there. They had been busy with other plans more suited to the realities of the situation. This was the proposal for the expansion of the Executive Council of the Governor General. Lord Linlithgow announced this plan in his statement of the 8th August, 1940. The statement also contained clear declarations regarding the framing of the future constitution after the war; at the same time it sought to allay the natural anxieties of the minorities by giving their rights and interests the guarantee of explicit assurances.

The plan for the expansion of the Council had much to commend it. It did not make any drastic change in the constitution which would have required prolonged negotiation and adjustment. It did not commit the political parties to giving up their basic claims; it only called for a suspension of party controversy in the interests of a cause which all parties professed to have at heart. Unwearied by failures the Viceroy consulted the Congress and the Muslim League leaders before making the declaration. And I want the House to note this: The Congress President refused so much as to even see the Viceroy to discuss it, and the promising scheme could not be implemented as intended.

The publication of the Viceroy's declaration of the 8th August was a blow to Congress hopes and ambitions, and it reacted accordingly. There followed the symbolic Satyagraha movement which claimed only to vindicate abstract matters of principle, but in practice served to propagate a movement of opinion hostile to the waging of war. The strangest circumstance of all was that the Congress still professed not to intend any embarrassment to the war effort. I can only say on this hypothesis the actions of the Congress leaders argued either strange credulity on their part or a failure to appreciate the logical consequences which in such experienced public men would be indeed remarkable.

Such was the record of the Congress in the first part of the war, in the anxious months in which France capitulated and the heroic efforts of England alone prevented a total Axis victory. In such circumstances the Government had ample justification for giving up the vain hope of reconciling the irreconcilables and for pursuing their course regardless of political disagreements. But they thought otherwise.

Dr. G. V. Deshmukh: The Honourable Member had better finish his speech.

The Honourable Sir Sultan Ahmed: My Honourable friend says that I should finish. I do not propose to accept his advice and I will go on.

The political parties had refused to join the Executive Council

Mr. Abdul Qaiyum: On a point of order. I think it was arranged that the Honourable Member will speak for twenty minutes so that there is time enough for division.

The Honourable Sir Sultan Ahmed: You will have the division all right. I will finish.

An Honourable Member: Please tell us who wrote this speech?

The Honourable Sir Sultan Ahmed: I wrote it myself.

The political parties had refused to join the Executive Council; the Viceroy therefore did the best he could in the circumstances by proceeding with his original plans of expansion but appointing to the Council public men standing aloof from the main parties. I can assure my Honourable friends opposite that we did not join the Executive Council because of personal ambition or for love of office. Office was not necessarily a bed of roses for the new Members of the Executive Council. In many cases it involved sacrifice of professional careers,

and led to political and personal misunderstandings and attacks. We accepted membership of the Governor General's Executive Council because we fully realised that in the circumstances of the time the first task on which Indians should concentrate was the defence of the country and the defeat of Axis aggression; in other words we looked upon the Councillor's office as a job of work to be done and to it we subordinated all personal and party sentiments.

One other step was taken by the Government. Since the war is fought on lines of global strategy, there was the risk of India's interests going by default in the higher counsels of the war direction, and to prevent this the Government secured from His Majesty's Government the right of appointing representatives of India to the Imperial War Cabinet. (Interruption.) Of course everything is nothing so far as my friends go.

So far, it could at least be argued, as an excuse for the wilfully self-centred policies of the political parties, that the war was a remote event which did not directly menace the existence of the country. The conditions became very different at the end of 1941 when Japan emerged in her true colours and strong points in the adjacent countries vital to the defence of India, Singapore, Rangoon, Burma itself, rapidly fell before her aggressive arms.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): How many more pages?

The Honourable Sir Sultan Ahmed: One might have expected that such a direct danger, which was made more acute by a simultaneous sweep forward of German forces up to the very frontier of Egypt, would have sobered public opinion and brought about a realisation of the need to put the war first, forgetting party controversies till they could be more opportunely pressed. But the Congress remained impervious even to these considerations of national self-preservation. An opportunity to co-operate on honourable terms without loss of face or prestige was provided by the Cripps Offer of March, 1942. Of the nature of the offer, which was unthinkable advantageous to the cause sponsored by the opposition parties, I cannot do better than refer the Honourable Members to the speech delivered in this House the other day by His Excellency the Viceroy.

One has only to compare the cautious terms in which previous declarations to India have been phrased, even as recently as at the passing of the Act of 1935, with the precise and far-reaching declaration in the Cripps Offer to realise the distance that India has travelled in the direction of her political goal. That even such an offer could be rejected out of hand is a measure of the political unrealism of our leaders. It gives me no pleasure to say it, but the stubbornness and scorn of compromise which have lost so many splendid opportunities to the country is lamentable to reflect upon.

I know Honourable Members opposite will take me to task for saying this; but this is not the view of myself alone. Mr. Rajagopalachari is not a member of the Government and I would refer my Honourable friends to his statement. He does not hold any office under the Crown and even my Honourable friends opposite will hardly venture to question his sincerity or his patriotism. This is what Mr. Rajagopalachari says:

"Looking back, it is now easy to see that the sending of Cripps Mission was an act of political insight which gave an advantage to British imperialism, while our rejection of the offer betrayed a lamentable lack of foresight. It was a great mistake to have broken off negotiations when, for whatever reason, the British Government was in its most yielding mood. With the whole country deeply anxious over the problems of food and clothing, many should now be feeling in their heart of hearts that the power to deal with these problems at the Centre and with great authority in the provincial field was worth taking up on any terms."

The attitude of the Congress after the Cripps Mission and the disastrous consequences which followed are fresh in public memory.

Dr. G. V. Deshmukh: As a matter of request, could you let us know how long more you will take?

The Honourable Sir Sultan Ahmed: I am not bound to tell you. Please sit down. You have come today after being absent from the Assembly for five weeks. I have been sitting here day after day. We know why my Honourable friend, Dr. Deshmukh has come today.

Dr. G. V. Deshmukh: Therefore, I think you might take a little relief and give way. It would also be of relief to the House!

The Honourable Sir Sultan Ahmed: I bet it will be!

Mr. Abdul Qaiyum: There was an agreement between the Parties.

Mr. President (The Honourable Sir Abdur Rahim): The agreement was that the Government Member replying would have 20 minutes or even more if necessary.

The Honourable Sir Sultan Ahmed: From a political party of the standing of the Congress the country was undoubtedly entitled to expect a wiser and more sober policy. It was a threat not merely to the established Government, but to the other parties since it was proposed to seize by process of coercion what should have been gained by negotiation. And as such it was interpreted by the other parties, especially by the minority interests. In the grave situation which was brought about by the unwise and precipitate course adopted by the Congress it is pleasant to reflect that such large masses of opinion held rigidly aloof.

So much needed to be said in justice to the Government. But no purpose is served by recriminations, however deserved. The past is over and done with; the future lies before us full of hopes and possibilities. Even in the political field, His Excellency the Viceroy has recently re-asserted that the Cripps Offer remains open. Its implementation awaits only an agreed demand from the political parties.

Opportunities of service even in the interim period are open to those who bring to it the spirit of co-operation. Great tasks await us. The war is in its last phase. The world has to be reclaimed from fear and want and set on the broad basis of security and progress. In India itself vast fields lie open for reconstruction; our people are still poor and ignorant, woefully lacking in health and the spirit of progress. All this can be redressed soon if we all take a hand in the future task, united in a common spirit of service. In the political field, the future constitution has to be framed. It is not too early to undertake a study of the lines on which this should be done. To all these fruitful tasks the future calls to us. I appeal to my friends to forget the bitterness of party controversy, to realise the practical needs of the situation, and to seek a wise moderation as the only basis of a united endeavour. If in the interests of the country they will do this, they may still repair the errors and omissions of the past and earn the gratitude of the present and future generations.

If our friends opposite think that we are incapable of being of any use for the impending tasks which I have just mentioned, I hope they will permit me to offer a few remarks, but not without reminding them of what they have done. Their party committed the greatest blunder when they went out of office in the provinces without the express consent of their constituencies and they let their electorates down. I am constrained to say that they betrayed their country and their electorates at a most critical period. (Opposition Benches: "Oh! oh!") We, however, welcome their presence in full force here today and I know why they come. Dr. Deshmukh has come today only for one purpose. But if their presence is only to attempt to give us a few defeats on cut motions, then I suggest to them that they are wasting their energy for no good purpose, but if they are here also to attempt to arrive at some understanding with the other parties, then they will have our most sincere and combined good wishes. If they do so, for once they will act as realists and pave the way for the realisation of the ambitions for which they and we have been aspiring.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That the demand under the head 'Executive Council' be reduced to Rs. 1."

The Assembly divided:

AYES—50.

Abdul Ghani, Maulvi Muhammad.
Abdul Qaiyum, Mr.
Abdullah, Mr. H. M.
Azhar Ali Mr. Muhammad.
Banerjee, Dr. P. N.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Chattopadhyaya, Mr. Amarendra Nath.
Chettiar, Mr. T. S. Avinashilingam.
Choudhury, Mr. Abdur Rasheed.
Choudhury, Mr. Muhammad Hussain.
Das, Mr. B.
Datta, Mr. Akhil Chandra.
Deshmukh, Dr. G. V.
Deshmukh, Mr. Govind V.
Essak Sait, Mr. H. A. Sathar H.
Fazl-i-Haq Piracha, Khan Bahadur Shaikh.
Gupta, Mr. K. S.
Gupta, Mr. R. R.
Habibar Rahman, Dr.
Hans Raj, Raizada.
Hegde, Sri K. B. Jinaraja.
Hosmani, Mr. S. K.
Ismail Khan, Hajee Chowdhury Muhammad.
Kailash Bihari Lall, Mr.
Kazmi, Qazi Muhammad Ahmad.

Krishnamachari, Mr. T. T.
Lahiri Chaudhury, Mr. D. K.
Lalchand Navarai, Mr.
Liaquat Ali Khan, Nawabzada Muhammad.
Maitra, Pandit Lakshmi Kanta.
Mangal Singh, Sardar.
Murtuza Sahib Bahadur, Maulvi Syed.
Naidu, Mr. G. Rangiah.
Nairang, Syed Ghulam Bhik.
Nauman, Mr. Muhammad.
Neogy, Mr. K. C.
Pande, Mr. Badri Dutt.
Parma Nand, Bhai.
Ramayan Prasad, Mr.
Raza Ali, Sir Syed.
Reddiar, Mr. K. Sitarama.
Satyanarayana Moorthy, Mr. A.
Sham Lal, Lala.
Siddique Ali Khan, Nawab.
Siddiquee, Shaikh Rafuddin Ahmad.
Subharayan, Shrimati K. Radha Bai.
Umar Aly Shah, Mr.
Yamin Khan, Sir Muhammad.
Yusuf Abdoola Haroon, Seth.
Zafar Ali Khan, Maulana.

NOES—48.

Ahmad Nawaz Khan, Major Nawab Sir.
Ambedkar, The Honourable Dr. B. R.
Ayers, Mr. C. W.
Azizul Huque, The Honourable Sir M.
Bentham, The Honourable Sir Edward.
Bewoor, Sir Gurunath.
Bhagchand Soni, Rai Bahadur Seth.
Caroe, Sir Olaf.
Chandavarkar, Sir Vithal N.
Chapman-Mortimer, Mr. T.
Chatterji, Mr. S. C.
Daga, Seth Sunder Lall.
Dalal, Dr. Sir Ratanji Dinshaw.
Dalpat Singh, Sardar Bahadur Captain.
Gwillt, Mr. E. L. C.
Habibur-Rahman, Khan Bahadur Sheikh.
Haidar, Khan Bahadur Shamsuddin.
Imam, Mr. Saiyid Haidar.
Inskip, Mr. A. C.
Ismaiel Alikhan, Kunwer Hajee.
James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Jehangir, Sir Cowasjee.
Kamaluddin Ahmad, Shams-ul-Ulema.
Khare, The Honourable Dr. N. B.

Krishnamoorthy, Mr. E. S. A.
Kushal Pal Singh, Raja Bahadur.
Lawson, Mr. C. P.
Maxwell, The Honourable Sir Reginald.
Miller, Mr. C. C.
Muazzam Sahib Bahadur, Mr. Muhammad.
Mudaliar, The Honourable Dewan Bahadur Sir A. Ramaswami.
Ogilvie, Sir Charles.
Piare Lall Kureel, Mr.
Raisman, The Honourable Sir Jeremy.
Richardson, Sir Henry.
Roy, The Honourable Sir Asoka.
Shahban, Khan Bahadur Mian Ghulam Kadir Muhammad.
Sheehy, Sir John.
Siva Raj, Rao Bahadur N.
Spence, Sir George.
Srivastava, The Honourable Sir Jwala Prasad.
Stokes, Mr. H. G.
Sultan Ahmed, The Honourable Sir.
Sundaresan, Mr. N.
Thakur Singh, Capt.
Trivedi, Mr. C. M.
Tyson, Mr. J. D.

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Tuesday, the 14th March, 1944.

LEGISLATIVE ASSEMBLY

Tuesday, 14th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

COLOUR BAR IN KENYA.

391. *Mr. K. S. Gupta: (a) Will the Honourable Member for Indians Overseas please state if it is a fact that colour bar still exists in Kenya?

(b) Are Government aware that as a result of the colour bar, the Indian community is not allowed to share the responsibility of the administration?

(c) Is it a fact that the people of Mariakani in Kenya are prohibited from using drinking water, as it is reserved for whites only?

(d) Is it a fact that Europeans are employed as principals of Indian schools much against the unanimous opinion of Indians?

(e) Is it a fact that the opportunities of employments, rates of remuneration and chances of promotion in the civil service in the country are based on one's colour and not on one's ability or merit?

(f) Is it a fact that the Imports Control Department is entirely guided by the European Group Advisers, and there is no Indian on the Committee?

The Honourable Dr. N. B. Khare: (a) Except for exclusion from ownership of land in the Highlands there is, so far as Government are aware, no formal colour bar in Kenya.

(b) and (e). There are no statutory restrictions on the employment of Indians; but it is understood that in actual practice Indians are not adequately represented in the higher services of the Colony.

(c) and (f). The information has been called for and will be furnished on receipt.

(d) Government have seen reports to that effect.

Mr. Lalchand Navalrai: Has the Honourable Member taken any steps to see that equal treatment is given to them in the matter of their representation?

The Honourable Dr. N. B. Khare: I shall repeat my last statement: When re-stating their views to His Majesty's Government on the Hilton-Young Commission's report in 1929, the Government of India urged that qualified Indians should be considered as eligible for higher posts in the public services in Kenya on the same terms as His Majesty's white subjects. The Government of India took it that there was no bar to the employment of properly qualified Indians and they suggested that a public announcement to that effect should be made in England, East Africa and India. This was in October 1929. The suggestion was not, however, taken up and the matter was not pursued by the Government of India.

We have now asked the Government of India for information as to the total strength of administrative and clerical services in Kenya and the proportion of Indians in each class. When that is received, we shall consider what further representations are necessary.

I may add that Indians are represented in the local legislature and Council of Ministers.

Shrimati K. Radha Bai Subbarayan: May I ask whether the Government asks for information only when Honourable Members ask questions?

The Honourable Dr. N. B. Khare: That is not the case.

Shrimati K. Radha Bai Subbarayan: May I ask if the Government take steps to secure information only after Honourable Members of the House ask questions on any matter of importance to the country?

The Honourable Dr. N. B. Khare: I have already answered that question.

Mr. Govind V. Deshmukh: Does the Government take the initiative in this matter or wait till questions are put by Members in this House?

The Honourable Dr. N. B. Khare: They take the initiative.

RETALIATORY MEASURES TO COLOUR BAR CONDITIONS IN KENYA.

392. *Mr. K. S. Gupta: Is the Honourable Member for Indians Overseas preparing any retaliatory measure to those conditions existing in Kenya?

The Honourable Dr. N. B. Khare: I presume the Honourable Member is referring to the matters mentioned in his previous question No. 391. I shall consider what action can be taken when I receive full information as regards the conditions alleged.

Mr. Lalchand Navalrai: May I know if the Honourable Member is considering retaliatory measures?

The Honourable Dr. N. B. Khare: I have already answered that question.

Mr. Lalchand Navalrai: Will the Honourable Member take steps in the shape of retaliatory measures?

The Honourable Dr. N. B. Khare: We must get information first.

AUSTRALIAN WHEAT CONSIGNED FOR SIND.

393. *Mr. Lalchand Navalrai: (a) Will the Honourable the Food Member be pleased to state if Government have received or are about to receive 5,000 tons of Australian wheat at Karachi for consumption in Sind possibly during the ration period?

(b) Why should Sind be made to use Australian wheat when the Province produces surplus of its own?

(c) Is it a fact that Sind wheat is being exported to other provinces and Australian wheat is proposed to be given to Sind? If so, why?

(d) Is it the Government of Sind which has asked for the Australian wheat? If so, for what reasons?

(e) What is the cost of Australian wheat in Australia and f.o.b. at Karachi, and what has the Sind or Central Government paid for or intend to pay for it?

(f) Who will appropriate the profit, if any, made by the sale of cheap Australian wheat at controlled prices at Karachi?

The Honourable Sir M. Azizul Huque: I am answering this question on behalf of the Food Member who is ill. (a) Australian wheat has been received at Karachi recently, but not expressly for consumption in Sind.

(b), (c) and (d). The Sind Government have exported wheat to other provinces till lately. 5,000 tons of Australian wheat are being loaned to them at their own request to enable them to build up adequate stocks for rationing.

(e) and (f). The transaction with Sind is a loan in kind. The Sind Government will receive 5,000 tons of imported wheat now and will place an equal amount at the disposal of the Government of India later, from the new crop. No financial transaction or profit is involved.

Mr. Lalchand Navalrai: May I know if the Sind Government thinks that they cannot carry on with rationing without this Australian wheat?

The Honourable Sir M. Azizul Huque: The Sind Government is circumspect. It wants to build up the reserve before taking up this measure.

Mr. Lalchand Navalrai: May I know if they have got their own surplus sufficient for the purpose?

The Honourable Sir M. Azizul Huque: This is a matter about which I cannot give details but they must have some stock and they want to strengthen the stock further.

Mr. Lalchand Navalrai: How do the prices compare?

The Honourable Sir M. Azizul Huque: That question does not arise out of this. No price question is involved.

Mr. Lalchand Navalrai: I have asked for the price in the question.

The Honourable Sir M. Azizul Huque: I have given the answer.

EXTENSION OF ACTIVITIES OF THE CONCILIATION OFFICER (RAILWAYS) AND SUPERVISOR OF RAILWAY LABOUR.

394. *Mr. Lalchand Navalrai: Will the Honourable Member for Labour be pleased to state if any decision has been taken in the matter of extension of activities of the Conciliation Officer (Railways) and Supervisor of Railway Labour, to Railways other than those with headquarters at Calcutta, as said

STARRED QUESTIONS AND ANSWERS

in reply to my starred question No. 131, asked on the 13th November last? If not, when is it likely to be taken?

The Honourable Dr. B. R. Ambedkar: A decision on the question has been postponed pending consideration of wider proposals regarding the machinery for settlement of trade disputes in Central Undertakings generally.

Mr. Lalchand Navalrai: Will that take place after the war is over or will it be introduced now?

The Honourable Dr. B. R. Ambedkar: That is not an inference which is justified by the answer I have given.

FRANCHISE OF INDIANS IN BRITISH COLUMBIA.

395. *Mr. Govind V. Deshmukh: Will the Honourable Member for Indians Overseas please state:

(a) if Government carried on any correspondence with regard to the 'franchise' of Indians in British Columbia about a year ago either directly or through His Majesty's Government; if so, what the result is; and

(b) the disabilities imposed on Indians in British Columbia, and the steps, if any, taken to remove those disabilities?

The Honourable Dr. N. B. Khare: (a) Yes; the result is still awaited.

(b) The disabilities arise mainly from the denial of franchise rights; and the Government of India have already made suitable representations on the question of conferring such rights on Indians domiciled in British Columbia.

Mr. Govind V. Deshmukh: I have learnt that the difficulty arises out of franchise rights mainly, but what are the other disabilities? Are there any? Is the Government of India moving in the matter?

The Honourable Dr. N. B. Khare: We are moving in the matter.

Mr. Govind V. Deshmukh: What are the disqualifications which arise out of the main disqualification of the franchise?

The Honourable Dr. N. B. Khare: They are as follows: They cannot serve as trustees at any municipal or rural school district, and hold any municipal office or serve on juries.

Mr. Govind V. Deshmukh: That is all?

The Honourable Dr. N. B. Khare: That is all, so far as I am aware.

RELEASE OF S.S. SAN FRANCISCO XAVIER.

396. *Mr. Govind V. Deshmukh: Will the Honourable Member for Commerce please state:

(a) if any correspondence was carried on with Government on behalf of the Konkani Steamer Passengers' Association (Ratnagiri) in November and December of 1943 in connection with the release of S.S. San Francisco Xavier for steamer services on the Konkani coast; and

(b) if the steamer or any other steamer has been so released for the convenience of passengers who are undergoing great inconvenience and loss of time and money for want of facilities to travel along the coast, the busy season having commenced; if not, what steps, and when, he intends to take to give facilities of travel to these passengers along the coast?

The Honourable Sir M. Azizul Huque: (a) Yes.

(b) Yes; the San Francisco Xavier was released for service on the Konkani Coast on the 2nd March, 1944.

Mr. Govind V. Deshmukh: Is this fact advertised, that it has been so released?

The Honourable Sir M. Azizul Huque: I think the very fact that I am giving the answer is sufficient publicity to it.

Mr. Govind V. Deshmukh: Was it ever advertised?

The Honourable Sir M. Azizul Huque: Between the 2nd March and now is not a very long span of life.

INCOME AND EXPENDITURE OF INDIAN TEA CESS COMMITTEE.

397. *Mr. H. A. Sathar H. Essak Salt: Will the Honourable Member for Commerce please state:

(a) the average annual income of the Indian Tea Cess Committee during the last three years for which figures are available;

(b) the salary, honorarium and other emoluments paid to the President of the Tea Cess Committee for the same period; and

1026

LEGISLATIVE ASSEMBLY

[14TH MAR. 1944]

(c) the total administrative expenditure of the Tea Cess Committee all over India during the same period (the administrative expenditure to include all salaries, honorarium allowances, etc., paid to officials and servants of all grades and office expenditure)?

The Honourable Sir M. Azizul Huque: (a) A statement showing the income of the Indian Tea Market Expansion Board, by which name the Indian Tea Cess Committee is now known, is laid on the table.

(b) The Chairman of the Board receives no emoluments of any description from the Board.

(c) A statement is laid on the table.

Statement.

Part (a).—The average annual income of the Indian Tea Market Expansion Board during the years 1940-41, 1941-42 and 1942-43 was Rs. 51,50,797.

Details of these are—

Rs. 48,84,975 in 1940-41,

Rs. 53,15,654 in 1941-42, and

Rs. 52,51,763 in 1942-43.

Part (c).—The total of the administrative expenditure incurred by the Board all over India during the period 1940-41, 1941-42 and 1942-43 including all salaries, honorarium allowances, etc., paid to all officers and servants of all grades, and office expenditure was Rs. 38,83,142.

Details of these are—

Rs. 11,80,674 in 1940-41,

Rs. 12,73,621 in 1941-42, and

Rs. 14,26,846 in 1942-43.

Mr. H. A. Sathar H. Essak Sait: With reference to (b), if he receives nothing from the Board, does he receive from the Government?

The Honourable Sir M. Azizul Huque: I do not think he receives anything from the Government either.

Mr. H. A. Sathar H. Essak Sait: With reference to the statement laid on the table, will my Honourable friend find out from that what percentage the administrative cost bears to their total income?

The Honourable Sir M. Azizul Huque: It is roughly about 25 per cent.

Maulvi Muhammad Abdul Ghani: Is it not a fact that the President of the Tea Cess Committee is an Honorary Magistrate?

The Honourable Sir M. Azizul Huque: I think I have answered that question.

INCOME AND EXPENDITURE OF INDIAN COFFEE CESS COMMITTEE.

398. *Mr. H. A. Sathar H. Essak Sait: Will the Honourable Member for Industries and Civil Supplies be pleased to state:

(a) the average annual income of the Indian Coffee Cess Committee during the last three years for which figures are available;

(b) the salary, honorarium and other emoluments paid to the President of the Coffee Cess Committee for the same period; and

(c) the total administrative expenditure of the Coffee Cess Committee all over India during the same period (the expenditure to include all salaries, honorarium, allowances, etc., paid to officials and servants of all grades and office expenditure)?

The Honourable Sir M. Azizul Huque: (a) and (c). The Indian Coffee Cess Committee ceased to function as such on 21st December, 1940, when, with the addition of 3 members, it was reconstituted as the Indian Coffee Market Expansion Board, subsequently renamed the Indian Coffee Board. The figures of income and expenditure of the Indian Coffee Cess Committee for the period 1st April 1940 to 20th December 1940 are given at page 32 of the First Annual Report of the Indian Coffee Market Expansion Board and those of the Indian Coffee Board for the period 21st December 1940 to 30th June 1943 at pages 4 and 5 of the Third Annual Report of the Board. Copies of the Reports are available in the Library of the Central Legislature.

(b) No salary, honorarium or other emoluments have ever been paid to the Chairman of the Indian Coffee Cess Committee or the Indian Coffee Board.

Mr. H. A. Sathar H. Essak Sait: Is there a salaried head of this Board?

The Honourable Sir M. Azizul Huque: There must be somebody who is receiving some salary.

Maulvi Muhammad Abdul Ghani: What is the latest year for which the report is put in the Library?

The Honourable Sir M. Azizul Huque: 1942-43.

Mr. H. A. Sathar H. Essak Sait: With regard to part (c) of the question, could the Honourable Member tell me the percentage that the administrative expenditure bears to the total income?

The Honourable Sir M. Azizul Huque: I am sorry I cannot answer that question off-hand.

PRODUCTION AND SALE OF STANDARD CLOTH IN PROVINCES.

399. * { **Mr. Kailash Bihari Lal:**
Pandit Lakshmi Kanta Maitra:
Mr. Amarendra Nath Chattopadhyaya: } Will the Honourable

Member for Industries and Civil Supplies be pleased to state:

(a) the arrangement for the production and sale of the standard cloth in the surplus and deficit Provinces;

(b) the arrangement for the supply of standard cloth with mills, whether it is through the Government of India or the Provinces direct;

(c) the amount of standard cloth supplied to each of the Provinces upto now;

(d) how much standard cloth has been sold upto now in the Provinces of Bengal and Bihar, and how much is lying unsold; and

(e) if it is not a fact that the services of Deputy Magistrates are utilized for the purpose of the sale of standard cloth?

The Honourable Sir M. Azizul Huque: (a) Each Province is allotted a quota of Standard Cloth proportionate to its population. Where a special need arises in the case of any one Province, Government make arrangements to increase the rate of despatches to that Province. This has been done in the case of Bengal. As regards production, Provinces send indents for the types of cloth they require to the Central Government, who place orders on mills for despatch direct to the destinations specified by the Provincial Government. The manner in which sales are effected within the Provinces has been left to the discretion of Provincial Governments.

(b) The Government of India place orders on the mills in accordance with the indents submitted by Provincial Governments.

(c) I lay on the table a statement showing the amount of Standard Cloth supplied to each Province as at 25th February 1944.

(d) The quantities of Standard Cloth sold and unsold in Bengal and Bihar as at 31st January 1944 were as follows:

Bengal: Sold 20,000,000 yards, unsold 23,490,000 yards.

Bihar: Sold 22,000,000 yards, unsold 21,000,000 yards.

(e) Provinces sell Standard Cloth both through the normal trade channels and through official channels. The Government of India presume, though they have no specific information on this point that where official channels are used Deputy Magistrates are playing their part.

Statement showing the amount of Standard Cloth supplied to each Province as at 25th February 1944.

	Yards.		Yards.
1. Ajmer and Merwara	859,524	9. Delhi	1,850,894
2. Assam	15,297,384	10. Madras	62,274,354
3. Baluchistan	2,251,196	11. N.W.F.P.	7,068,928
4. Bengal	60,208,892	12. Orissa	15,986,115
5. Bihar	48,554,570	13. Punjab	46,766,579
6. Bombay	29,813,371	14. Sind	12,215,723
7. C. P. and Berar	30,409,495	15. U. P.	75,631,092
8. Coorg	235,189		

Pandit Lakshmi Kanta Maitra: With reference to part (d) of the question, will the Honourable Member kindly tell the House whether any time-limit is fixed by the Central Government for the disposal of the standard cloth which remains unsold up to a certain date?

The Honourable Sir M. Azizul Huque: Not that I am aware of.

Maulvi Muhammad Abdul Ghani: What is the reason for the non-disposal of 21 million yards of cloth in Bihar?

The Honourable Sir M. Azizul Huque: I am sorry my ears are rather defective and I have not been able to catch the question.

Mr. K. C. Neogy: Can the Honourable Member suggest any reason why such large quantities of standard cloth have remained unsold in these two provinces?

The Honourable Sir M. Azizul Huque: I cannot say. It is difficult to go into the administrative difficulties of those provinces.

Pandit Lakshmi Kanta Maitra: Will the Government make an inquiry as to why these large quantities are left unsold in these two provinces when there is such a pressing demand for it?

The Honourable Sir M. Azizul Huque: We are continuously making inquiries from the Provinces.

Mr. Govind V. Deshmukh: What is the quantity of cloth supplied to the Central Provinces?

The Honourable Sir M. Azizul Huque: The standard cloth supplied to the Central Provinces and Berar is 30 million yards.

Maulvi Muhammad Abdul Ghani: May I ask whether any reason has been given by the Bihar Government for not being able to sell such a large quantity of the standard cloth?

The Honourable Sir M. Azizul Huque: I have made it quite clear that the question of the distribution and sale of the standard cloth in any province is a matter which has been left to the responsibility of the province and as such that question should be discussed in the province rather than here.

Sir Muhammad Yamin Khan: Why is it so?

The Honourable Sir M. Azizul Huque: For the simple reason that the Government of India could not possibly cater to the needs of 400 million people in the numerous villages.

Mr. Lalchand Navalrai: How much standard cloth was given to Sind and whether any portion of it is lying unsold there?

The Honourable Sir M. Azizul Huque: 12-21 million yards. As I have already said, I am not prepared to answer why any portion of it is lying unsold there because it is the province which is responsible for it.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

IMPORTS, ETC., OF NEWSPRINT AND OTHER PAPER.

400. ***Mr. Amarendra Nath Chattopadhyaya:** (a) Will the Honourable Member for Industries and Civil Supplies be pleased to state (i) newsprint imported into India during 1939-40, 1940-41, 1942-43, 1943-44; (ii) newsprint manufactured in India during 1939-40, 1940-41, 1942-43, 1943-44; (iii) newsprint imported on Government account and on account of private and public use? What was the output percentage of the newsprint manufactured in India and imported during the aforesaid years, showing increase and decrease?

(b) Will the Honourable Member be pleased to state the quantity of writing and printing paper (i) imported and (ii) manufactured in India during the years 1939-40, 1940-41, 1942-43 and 1943-44, separately? What was allotted in each of the aforesaid years (i) for the normal official use, (ii) for ordinary and regular propaganda, (iii) for propaganda against Congress activities and other political activities, and (iv) for war propaganda for the (i) British, (ii) American, (iii) Chinese, and (iv) other allied nations, within and outside India?

(c) What was allotted to publishers—

- (i) British in general (books and pamphlets),
- (ii) books and pamphlets regarding war (British),
- (iii) monthlies and periodicals (British),
- (iv) educational books (British), and
- (v) British business houses and commercial houses during the aforesaid years?

(d) What was allotted to publishers—

- (i) Indians in general (books and pamphlets),
- (ii) books and pamphlets regarding war (Indians),

(iii) monthlies and periodicals (Indians), and

(iv) Indian business houses and commercial houses during the aforesaid years?

(e) What was consumed by the publishers referred to in parts (c) and (d) in India before the war?

The Honourable Sir M. Azizul Huque: (a) and (b). A statement showing the imports and manufacture in India of newsprint and other writing and printing paper during each of the years referred to by the Honourable Member is placed on the table of the House. Except 36 tons of newsprint which was received in February 1944, no newsprint was received on Government account during the years referred to. The information asked for regarding allocation of printing and writing paper other than newsprint is not readily available, and in any case, it would not be in the public interest to disclose it.

(c) and (d). Writing and printing paper other than newsprint is not rationed by the Central Government. Information asked for is not available.

(e) This information is not available.

	Statement.				Other printing and writing paper			
	Newsprint.							
	1939-40	1940-41	1942-43	1943-44	1939-40	1940-41	1942-43	1943-44
	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.	Tons.
Quantity imported from abroad.	36,714	30,731	11,237	8,244*	16,725	8,538	1,596	933*
Quantity manufactured in India.	Nil	Nil	Nil	Nil	59,574	65,598	65,500	48,465*

* During April—December 1943.

Pandit Lakshmi Kanta Maitra: Have the Government of India also fixed certain quotas for the Provincial Governments with regard to the newsprint?

The Honourable Sir M. Azizul Huque: I do not think so.

Mr. K. C. Neogy: Do I take it that in regard to part (d) of the question, the Honourable Member's answer was that no such rationing system obtains? Is that the answer?

The Honourable Sir M. Azizul Huque: Yes.

Mr. K. C. Neogy: Has the Honourable Member received any complaint from the Indian Publishing Houses as regards the difficulties in the matter of obtaining printing paper?

The Honourable Sir M. Azizul Huque: I have been receiving complaints about the difficulties of printing paper from all sections of the public and we are considering the question as to what we can do in the circumstances.

BLACK MARKET PAPER TRANSACTION.

401. ***Mr. Amarendra Nath Chattopadhyaya:** Is the Honourable Member for Industries and Civil Supplies aware of the fact that black market transaction in papers is still being carried on? If so, what steps has he thought of taking to stop it?

The Honourable Sir M. Azizul Huque: Yes. The remedies are control on price and distribution and reduction in the gap between demand and supply by increased production, economy in use and larger imports. Some steps have already been taken and others are being taken to achieve these objects as far as it is practicable to achieve them under the existing conditions.

Pandit Lakshmi Kanta Maitra: Can the Honourable Member give us some figures about the production of paper in India?

The Honourable Sir M. Azizul Huque: I can say that as between the average of 1936-37 to the production in 1942-43 is almost nearly double.

Pandit Lakshmi Kanta Maitra: And what about the figures of imports?

The Honourable Sir M. Azizul Huque: The import figures are certainly less as compared with the pre-war figures.

ESSENTIAL PUBLICATIONS LISTED FOR ALLOTMENT OF PAPER.

402. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for Industries and Civil Supplies be pleased to make a list of "essential publications" for which paper will be allotted by the Paper Control Committee appointed by Government?

The Honourable Sir M. Azizul Huque: The Central Government have not appointed any "Paper Control Committee" and the question of making a list of "essential publications" to which paper might be allotted by such a committee does not, therefore, arise.

DOLLAR EXCHANGE FACILITIES FOR REMITTING SUBSCRIPTIONS TO AMERICAN MAGAZINES.

403. *Mr. T. T. Krishnamachari: Will the Honourable the Commerce Member be pleased to state whether Government have issued any instructions to the Reserve Bank in respect of affording facilities to people in India requiring dollar exchange for the purpose of remitting subscriptions to American magazines? If so, will the Honourable Member indicate the precise nature of those instructions? Does he also contemplate any relaxation in the terms of these instructions in the near future?

The Honourable Sir M. Azizul Huque: Yes. Remittances by private persons, firms, clubs, scientific, technical and educational institutions (provided they are not regular booksellers) in payment of individual subscriptions have been permitted freely since December 1943. In the case of regular booksellers, imports of periodicals and the remittance of exchange to pay for them, are permitted only in accordance with such licences as may be issued to them under the Import Trade Control system.

Mr. T. T. Krishnamachari: Do I understand the Honourable Member aright when he says that the relaxation was made in December 1943?

The Honourable Sir M. Azizul Huque: Yes, they have been permitted free.

SALT SHORTAGE IN BENGAL.

404. * { Dr. Habibar Rahman:
Mr. Muhammad Hussain Choudhury: } Will the Honourable the Food Member be pleased to state:

(a) if he is aware—(i) that there has been acute shortage of salt in Bengal since January last, and (ii) that the price of ordinary salt has gone up enormously, that in some districts of Bengal the price has gone up to Rs. 2 per seer, and that many people and cattle are going without salt for days; and (b) the steps, if any, he proposes to take to relieve this shortage?

The Honourable Sir M. Azizul Huque: The Honourable Member is referred to my reply to Pandit Lakshmi Kanta Maitra's starred question No. 246 on the 25th February, 1944.

Mr. K. C. Neogy: Is the Honourable Member in a position to indicate the present state of affairs in regard to this matter?

The Honourable Sir M. Azizul Huque: So far as the stocks on 22nd February are concerned, they amount to 13.6 lakhs of maunds which appear to be sufficient for seven weeks consumption. Other steps are being taken to expedite the supplies for the Province.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member aware that in the Bengal Legislative Assembly towards the end of last month, this question was raised and the reply was given that Bengal was passing through a shortage of salt and that steps were being taken to ask the Central Government to provide the supplies? What is the exact position now?

The Honourable Sir M. Azizul Huque: I have given the figures as up to 22nd February.

COMPLAINTS REGARDING RICE SOLD BY RATION SHOPS IN CALCUTTA.

405. *Mr. Amarendra Nath Chattopadhyaya: (a) Is the Honourable the Food Member aware of the fact that in Bengal outside Calcutta, i.e., in the Districts of Bengal, rice is still being sold in the black market at the rate varying between Rs. 20 and Rs. 25 per maund? If not, does the Honourable

Member propose to make enquiries about the matter through public press, prominent individuals and public institutions, like Chamber of Commerce and the Social Service League?

(b) Is the Honourable Member aware of the nature and quality of rice sold at Calcutta at present under the Rationing System through shops fixed by Government for selling such rationed foodstuffs? Has the Honourable Member received complaints regarding rice sold to public by ration shops which are not fit for human consumption? If so, has he taken any step to stop such supply?

(c) Is it a fact that Central Government have taken charge of feeding the Calcutta people, numbering about thirty lakhs, and the foodstuffs sent by the Central Government will feed Calcutta including suburbs and industrial area? Will the Honourable Member be pleased to clear up the position by making a statement regarding the system of purchase of foodstuff and fixing up thereby the responsibility for such supply?

(d) Is it not a fact that Provincial Government has appointed four or five Chief Agents to purchase crop for supply of foodstuff to Bengal? Are these agents responsible for supplying such rice?

The Honourable Sir M. Azizul Huque: (a) According to information, rice is available throughout the greater part of North and West Bengal at or below the maximum wholesale prices fixed by the Bengal Government, which are Rs. 13-4-0 for surplus districts and Rs. 14-4-0 for deficit districts. In East Bengal prices have ranged generally between Rs. 11 and Rs. 20. The highest price quoted has been Rs. 24 at Chittagong.

(b) I am aware that there have been complaints about the quality of some of the rice sold in Calcutta, but I am not aware that any rice has been sold which is not fit for human consumption.

(c) The Government of India have allotted to Bengal from surplus areas a quantity of foodgrains equivalent to the requirements of Calcutta for 13 months. The arrangements for purchase, inspection before and after despatch and distribution of the foodgrains so allotted are the responsibility of the Bengal Government.

The Honourable Member is also referred to the reply given in this House to part (c) of Mr. Neogy's starred question No. 286 on the 1st March, 1944.

(d) The Government of Bengal have appointed four Chief Agents for the procurement of the Aman crop. The reply to the second part of the question is in the negative.

Mr. K. C. Neogy: Is the Honourable Member in a position to suggest any reason as to why the price is higher in eastern Bengal than western Bengal, I mean with reference to ceiling prices?

The Honourable Sir M. Azizul Huque: It will not be possible to enter into an economic argument in reply to a supplementary question.

Mr. Amarendra Nath Chattopadhyaya: Do I understand the Honourable Member to say in reply to part (a) that the price ranged between Rs. 20 and Rs. 25? I may tell the Honourable Member that it is much more.

The Honourable Sir M. Azizul Huque: I have answered the question on my information that it is not so. It may be so in certain parts. (It was observed that Mr. Amarendra Nath Chattopadhyaya was standing while the Honourable Sir M. Azizul Huque was answering the question.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. When the Honourable Member has put his question, he ought to resume his seat.

Mr. Amarendra Nath Chattopadhyaya: With reference to the answer to part (b), I have got some samples of rice sold in Calcutta. Will the Honourable Member kindly see them to find out the quality of rice?

The Honourable Sir M. Azizul Huque: I do not think this House is the proper place for samples to be exhibited before Honourable Members.

(Mr. Amarendra Nath Chattopadhyaya then went to the seat of the Honourable Sir M. Azizul Huque and tried to put the samples into his hand.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member must go back to his seat. This is not allowed.

PERMITS FOR IMPORT OF PADDY OR RICE FOR OWNER'S USE IN CALCUTTA.

†406. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable the Food Member be pleased to state if permit for import of paddy or milled rice belonging to one's own grown stock, to be transported from station to station by rail or by lorry or by boat or by any other possible conveyance to Calcutta, is still required, in case the owner of such stock does not purchase rice for his own use from ration shops? In case it is so required, will the Honourable Member be pleased to advise the Controller of Rationing in Calcutta to issue such permit without delay?

(b) What remedy is there against unnecessary delays in granting such permit, by the Controller of Rationing in Calcutta, as many families have to suffer on account of such delay in issuing permits applied for? Can Regional Commissioner issue such permit?

The Honourable Sir M. Azizul Huque: (a) According to my information permits are required. The Controller of Rationing, Calcutta, is not an officer of the Government of India and I regret that I am unable to adopt the Honourable Member's suggestion.

(b) The Regional Food Commissioner is not authorised to issue such permits. They are issued on the authority of the Government of Bengal, to whom complaints of delay in any specific case should be addressed.

RE-EMPLOYMENT OF MR. AMAR NATH, OVERSEER, PUNJAB IRRIGATION DEPARTMENT AFTER CONVICTION.

†407. *Khan Bahadur Shaikh Fazl-i-Piracha: Will the Honourable Member for Labour please state:

(a) if it is a fact that a Government servant who has been dismissed on conviction by a criminal court cannot be re-employed in Government service; and

(b) if it is a fact that one Amar Nath, Overseer of the Punjab Irrigation Department, who was sentenced to rigorous imprisonment, has been re-employed as an Overseer in the Central Public Works Department; if so, why?

The Honourable Dr. B. R. Ambedkar: (a) A person who is dismissed from service is not ordinarily eligible for further employment under Government.

(b) Yes. The fact that he had been dismissed by the Punjab Government was not known at the time of his employment in Central Public Works Department.

DESIRABILITY OF APPOINTING HIGH COURT JUDGES FROM THE BAR.

†408. *Sardar Sant Singh: (a) Will the Honourable the Leader of the House please state if he received any copies of the resolutions passed by the High Court Bar Associations at Lahore and Madras regarding the desirability of appointing Judges of the High Court from amongst the eminent members of the Bar? If so, what action has been taken on those resolutions?

(b) Do the Government of India propose to convey to His Majesty their approval of the principles underlying those resolutions?

The Honourable Sir Sultan Ahmed: (a) and (b). The Governor General in Council is in no way concerned with appointments to High Courts, which are made under Sections 220 and 222 of the Government of India Act 1935.

FEEDING OF THEIR OWN TROOPS IN INDIA BY THE UNITED NATIONS.

409. *Sardar Mangal Singh: Will the Honourable the Food Member please state:

(a) whether the Government of India have through His Majesty's Government suggested to the United Nations that they should feed their own troops stationed in this country; and

(b) what decision has been taken thereon?

The Honourable Sir M. Azizul Huque: (a) No, Sir, but the quantity of foodgrains imported into India during the last four months already exceeds the

†Answer to this question laid on the table, the questioner having exhausted his quota.
 ‡Answer to this question laid on the table, the questioner being absent.

total annual requirements of United Nations troops, other than Indian troops, in this country.

(b) Does Not arise.

Sardar Mangal Singh: My question was:

"Whether the Government of India have through His Majesty's Government suggested to the United Nations that they should feed their own troops stationed in this country?"

The Honourable Member, instead of replying to this question has given only the quantity imported.

The Honourable Sir M. Azizul Huque: I have answered in substance, namely, that the quantity which has been imported at the instance of the Government of India during the last four months exceeds the total annual requirements of the United Nations troops.

Sardar Mangal Singh: But that was not what I wanted in the question.

Dr. P. N. Banerjee: It is a very straight question.

The Honourable Sir M. Azizul Huque: I have also given a straight reply, namely, that it was at the instance of the Government of India that these quantities of foodgrains have been imported into this country and this exceeds the total annual requirements of the United Nations troops. I have said that the whole import programme was arranged at the instance of the Government of India and if at any time the Government of India feel that anything more is necessary, they would be prepared to take that step.

Sardar Mangal Singh: The whole speech is irrelevant. My question is different. I wanted to know whether the Government of India have through His Majesty's Government suggested to the United Nations that they should feed their own troops in this country.

Mr. N. M. Joshi: May I ask what is the total quantity of foodgrains imported by the Government of India during the last four months?

Sardar Mangal Singh: What about my question? It has not been answered.

The Honourable Sir M. Azizul Huque: It will be impossible for me to answer that question.

Sardar Mangal Singh: I rise to a point of order. The Honourable Member is evading to answer my question which was admitted by you, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought to know by this time that the Chair cannot compel any Government Member to answer a question in any particular way.

Mr. Govind V. Deshmukh: May I know if these foodgrains were imported from Great Britain or from all the United Nation countries?

The Honourable Sir M. Azizul Huque: I cannot say offhand. I take it that it must be, at least some of them must be from United Nation countries, but if any one is excluded or not, I cannot say.

Sardar Mangal Singh: May I ask if this import of foodgrains is in pursuance of that policy that the United Nations troops should be fed by them or it was because there was a shortage of food?

The Honourable Sir M. Azizul Huque: It is in pursuance of the policy recommended by the Foodgrains Enquiry Committee and in pursuance of the whole economic situation in India which includes civil consumption as well as military requirements. The one cannot be detached from the other. The Government of India have to take the picture as a whole and it is as a result of that that they arrange for imports from time to time.

Sardar Mangal Singh: Would the Honourable Member read my question aright again and answer?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already answered the question.

Sardar Mangal Singh: But why should he give irrelevant answers?

Mr. President (The Honourable Sir Abdur Rahim): I cannot compel any Honourable Member to answer a question to the satisfaction of the questioner.

Dr. P. N. Banerjee: What is the quantity of foodgrain required for Defence forces in India?

The Honourable Sir M. Azizul Huque: I cannot answer that without notice.

Mr. Govind V. Deshmukh: Were foodgrains imported after the suggestions were made by the Government of India that the United Nations should make provision for feeding their own forces?

The Honourable Sir M. Azizul Huque: I have already said that the whole policy of the Government of India was based, so far as the import programme was concerned, as a result of the civil consumption needs of this country as also their defence requirements.

Mr. T. S. Avinashilingam Chettiar: Apart from the grain required to meet the feeding of the forces, what is the quantity required for other needs?

The Honourable Sir M. Azizul Huque: I want notice.

PROTEST AGAINST THE PROCEDURE FOR IMPORTING HEAVY CHEMICALS.

410. *Mr. T. T. Krishnamachari: Will the Honourable the Commerce Member please state:

(a) whether he has received representations from commercial bodies, amongst others, a telegram from the Indian Merchants Chamber, Bombay, dated the 19th February, 1944, protesting against the new procedure sought to be laid down for the importation of heavy chemicals, like Hydrosulphite of Soda, Zinc Chloride;

(b) if the answer to part (a) is in the affirmative, the chemicals involved in this scheme; and whether the trade interests affected were consulted;

(c) whether the new arrangement will have the effect of making the trade a monopoly for a few non-Indian concerns;

(d) whether the Honourable Member is aware of the names of the firms who will benefit thereby, and whether he will be pleased to state the names of these firms; and

(e) whether Government propose to amend the arrangement, in view of the strength of feeling amongst the Indian interests affected?

The Honourable Sir M. Azizul Huque: (a) The answer is in the affirmative.

(b) (i) Hydrosulphite of Soda, and (ii) Zinc Chloride. The trade interests affected were consulted.

(c) The answer is in the negative. Moreover the distribution within the country would be made through those normally engaged in the trade.

(d) Yes. (i) Hydrosulphite of Soda:

1. Imperial Chemical Industries (India) Limited.
2. Excelsior Finishing Products Company Limited.
3. Sheth & Company, Baroda.
4. Shivchand Amritlal & Company Limited.

(ii) Zinc Chloride:

Messrs. Sizing Material Company Limited.

(e) The arrangement is only temporary and will be reviewed in the light of experience gained before the end of June, 1944.

Mr. T. T. Krishnamachari: With reference to part (c), may I know whether the Honourable Member really referred to the distribution of chemicals in this country or did he refer to the import into this country of chemicals?

The Honourable Sir M. Azizul Huque: Distribution within the country.

Mr. T. T. Krishnamachari: With regard to the import of chemicals into this country, will the Honourable Member confine himself to those firms which are interested in imports into this country?

The Honourable Sir M. Azizul Huque: That was not the question.

Mr. T. T. Krishnamachari: I refer the Honourable Member to part (c).

The Honourable Sir M. Azizul Huque: Part (c) refers to trade monopoly. It was not a question of import. If the Honourable Member will give me notice, I shall answer the same.

Mr. T. T. Krishnamachari: In the case of Hydrosulphite and Zinc Chloride, will the Honourable Member see that a monopoly does not pass into the hands of European firms, namely, the Imperial Chemical Industries and the Sizing Materials Co., Ltd.?

The Honourable Sir M. Azizul Huque: As I said, so far as the import side is concerned, I did not look into the question. If my Honourable friend wants I will look into the matter.

CHARGE OF DOUBLE SCHOOL FEES IN DELHI ON FATHERS PAYING INCOME-TAX.

411. *Mr. Ananga Mohan Dam: Will the Secretary for Education, Health and Lands please state if it is a fact that the students of the Middle English and High Schools, whose fathers pay income-tax, are required to pay double the ordinary rate of the school fee? If so, why does this practice obtain in Delhi when it does not exist anywhere else in India?

Mr. J. D. Tyson: I should prefer to say that parents who are not assessed to income-tax are charged fees at half rates. This is based on the practice adopted in the Punjab.

NON-OFFICIAL MEMBERS OF THE CENTRAL LEGISLATIVE ASSEMBLY RECEIVING SALARIES OR PERMANENT ALLOWANCES.

412. *Maulvi Muhammad Abdul Ghani: Will the Honourable the Leader of the House please state:

(a) the names of the non-official Members of the Central Legislative Assembly who are receiving salary or permanent allowance in any shape from the public exchequer for doing work not entrusted to them by the Central Legislature; and

(b) the amount paid to each Member monthly by way of remuneration, office expenses, travelling allowances, halting allowance or other similar purposes?

The Honourable Sir Sultan Ahmed: (a) There are no such cases.

(b) Does not arise.

GRIEVANCES OF LEATHER MERCHANTS, ETC.

413. *Mr. Piare Lal Kureel: Will the Honourable Member for Industries and Civil Supplies be pleased to state:

(a) whether he has received any complaint from Mr. T. A. Sonavane, Advocate, President, Dhor (Tanner) Samaj Sudharak Mandal, Bombay, Mr. G. D. Tapase, Pleader, Secretary, Leather Merchants' Association, Satara, and several other gentlemen representing the leather industry, regarding the Notification No. F. 22 (18)-C. S. (C)/43, dated the 27th January, 1943; and

(b) if the answer to (a) above be in the affirmative, what steps the Honourable Member proposes to take to redress the grievances of the leather merchants, dealers, producers and tanners of the Bombay Presidency and other parts of the country?

The Honourable Sir M. Azizul Huque: (a) Yes. The date of the notification is 27th November, 1943, and not the 27th January, 1943.

(b) The question is under consideration.

Mr. Piare Lal Kureel: Is the Honourable Member aware that the delay in deciding the matter is causing great hardship to the tanners and leather producers of the country?

The Honourable Sir M. Azizul Huque: I cannot say off-hand as to what the representation is, but it must have involved quite a number of points to require the necessary time that has elapsed.

Mr. Hooseinbhoy A. Lalljee: Are these people given the same attention as those of the textile industry?

The Honourable Sir M. Azizul Huque: The Government of India do not make any distinction between the rich and the poor.

Mr. Hooseinbhoy A. Lalljee: Then, does the Honourable Member admit that they are poor?

The Honourable Sir M. Azizul Huque: I do not say that; they may be rich.

GRIEVANCES OF LEATHER MERCHANTS, ETC.

414. *Mr. Piare Lal Kureel: With reference to Notification No. F. 22 (18)-C. S. (C)/43, dated the 27th January, 1943, issued by the Department of Industries and Civil Supplies, Government of India, fixing maximum prices of certain leathers and hides, is the Honourable Member for Industries and Civil Supplies aware that:

- (a) the above Notification has caused much confusion in the market, and has resulted in a considerable loss to tanners and leather producers of the country;
- (b) prior to the Notification, the representatives of tanners and leather dealers were not consulted and were kept in dark till the end of December, 1943, even though the Notification was to operate on the 1st January, 1944;
- (c) controlled prices are not even equivalent to the prices of raw buffalo and cow hides prevailing in the market;
- (d) no distinction has been made in the Notification for the purpose of purchase and sale between wholesale dealers and producers, and retail dealers and producers, as it has been done in various controlled commodities;
- (e) no distinction has been made in the Notification between the slaughtered and unslaughtered, salted and unsalted, wet or dry, buffalo and cow hides; and
- (f) hides and materials for tanning come from various provinces of India and they differ in quality and prices, and that it would, therefore, be most unjustifiable to take into consideration one Province or two and fix the controlled rate for the tanned buffalo and cow leathers and hides for the whole of India?

The Honourable Sir M. Azizul Huque: (a) No.

(b) The representatives of tanners were consulted by the Supply Department. The Notification fixing maximum prices was published in the *Gazette of India* on the 27th November, 1943.

(c) No. This is incorrect.

(d) Yes. The possibility of fixing separate maximum prices at different stages in the distribution is under examination.

(e) Does not arise as the Notification does not fix prices for raw hides.

(f) Yes. But prices were fixed in consultation with representatives of the tanning industry from all the principal leather producing areas of the country.

Mr. Piare Lal Kureel: Were the representatives of the leather producers and tanners themselves consulted in the matter?

The Honourable Sir M. Azizul Huque: Yes. So far as I have seen the proceedings of the Supply Department Conference, I find that they were consulted.

Mr. Piare Lal Kureel: But I am told that the representatives of the tanners and leather producers were not consulted and that they were kept in the dark till the end of December 1943, even though the notification was to operate from January, 1944?

The Honourable Sir M. Azizul Huque: I have answered that question.

SCHEDULED CASTE COMMISSIONED OFFICERS IN THE UNITED PROVINCES CIVIL PIONEER FORCE.

415. *Mr. Piare Lal Kureel: With reference to his answer to starred question No. 111 regarding Commissioned Officers in the Civil Pioneer Force, asked by Mr. G. Rangiah Naidu on the 15th February, 1944, will the Honourable Member for Labour be pleased to state the names of the Schedule Caste Commissioned Officers in the United Provinces Civil Pioneer Force?

The Honourable Dr. B. R. Ambedkar: A statement is laid on the table of the House.

Statement showing particulars of Scheduled Caste candidates appointed as commissioned officers in the United Provinces Civil Pioneer Force Units.

Name of Scheduled Caste Officer.	Date and Rank of first appointment.	Present Rank.	Total No. of Officers appointed.	No. of Scheduled Caste Officers appointed.
1. Nand Lal Kureel	19.5.43	2nd-Lieut.	28	4
2. S. K. Muliek	3.7.43	do.		
3. K. B. Bhale Rao	19.11.43	do.		
4. Kshetra Pal Singh Sagar	29.1.44	do.		

COMMUNAL COMPOSITION OF CIVIL PIONEER FORCE CLERKS.

416. *Mr. Piare Lal Kureel: Will the Honourable Member for Labour be pleased to state:

(a) the total number of clerks in the Civil Pioneer Force in various Provinces; and

(b) how many of these clerks are Hindus, Muslims, Scheduled Castes, Christians and Anglo-Indians, separately, in various provinces?

The Honourable Dr. B. R. Ambedkar: Many units are in a war area and others are with the Army at outstations and that, therefore, it is not possible in these circumstances to collect the information asked for.

USE BY GOVERNMENT OF A DEHYDRATION FACTORY AT AMRITSAR.

417. *Mr. T. T. Krishnamachari: Will the Honourable the Food Member be pleased to state:

(a) whether the Food Department was using a dehydration factory at Amritsar;

(b) whether the Department has now stopped using this factory; if so, for what reasons; and

(c) whether any compensation was paid to the owners of this factory for such stoppage; and if so, the amount of the compensation, and how much Government have lost in the whole transaction?

The Honourable Sir M. Azizul Huque: (a) The Honourable Member presumably refers to a meat dehydration factory under the Food Department. On that assumption the answer is YES.

(b) Production has had to be suspended owing to the unforeseen infestation of the premises and the finished product by a small beetle (*Dermestes Vulpinus*). As a result of expert investigation, it has been decided to remodel the factory and the work is now in hand.

(c) The matter is now under consideration and the amounts cannot be stated.

Mr. T. T. Krishnamachari: Has any compensation been paid in this matter?

The Honourable Sir M. Azizul Huque: As I have said, a substantial sum has already been paid and the contractors' claims have not yet been finally adjusted.

Sardar Mangal Singh: May I know whether this factory is being built by Government themselves or by the contractors?

The Honourable Sir M. Azizul Huque: I shall require notice of that question.

Mr. T. T. Krishnamachari: Will the Honourable Member tell us what that substantial sum is?

The Honourable Sir M. Azizul Huque: That I am not prepared to say because the matter is still being considered for adjustment.

Mr. K. C. Neogy: Is it 25 lakhs?

PROPOSED CONFERENCE OF DOMINION PREMIERS IN LONDON.

418. *Mr. K. S. Gupta: (a) Will the Honourable the Leader of the House please state when the Conference of Dominion Premiers is to meet in London?

(b) Will India be represented in that Conference? If so, who is to represent India? Will he be an official or a non-official? Will he be an Indian or non-Indian?

The Honourable Sir Sultan Ahmed: (a) The Conference is likely to be held in the next few months, but the exact date is not known.

(b) This is to be a meeting of the United Kingdom and Dominion Prime Ministers and not a full Imperial Conference, but the representatives of India at the War Cabinet will be in London at the time and will be available for consultation on matters of interest to India.

Dr. P. N. Banerjee: What will be the position of the representatives of India vis-a-vis the Prime Ministers of the Dominions?

The Honourable Sir Sultan Ahmed: They are not members of the Conference.

Mr. Jamnadas M. Mehta: What is the meaning of "available"?

The Honourable Sir Sultan Ahmed: I would refer my Honourable friend to the Oxford Dictionary which is in the Library of the House.

Mr. Jamnadas M. Mehta: Does that mean that they will be present there by invitation or in their own right?

The Honourable Sir Sultan Ahmed: They will not be there by right.

FUTURE STATUS OF INDIA IN REGIONAL COUNCILS.

419. *Mr. K. S. Gupta: (a) Will the Honourable the Leader of the House please state if there is any correspondence between the Government of India and the British Government about the future status of India in the Regional Councils? If so, would it be placed on the table?

(b) Would this House be consulted if any arrangement is to be affected in the constitution of Regional Council for East Asia?

(c) Does Sir Henry Craik voice the sentiment of the British Government or the Government of India when he makes the Indian States the pretext for Britain's remaining in India "to hold the ring"?

The Honourable Sir Sultan Ahmed: (a) There is no such correspondence.

(b) The proposal is still unofficial and nebulous. The matter can be considered when it assumes a more definite shape.

(c) Sir Henry Craik was expressing his own personal opinion. The policy of His Majesty's Government with regard to India, including the Indian States, is quite well understood and I need not elaborate it here.

Mr. Govind V. Deshmukh: Did the Government of India express their own views contradicting the view which has been referred to in this question?

The Honourable Sir Sultan Ahmed: No, Sir.

Mr. Govind V. Deshmukh: Why not?

The Honourable Sir Sultan Ahmed: Because they did not want to.

Mr. Govind V. Deshmukh: Is this not misleading?

The Honourable Sir Sultan Ahmed: No, not at all.

UNSTARRED QUESTIONS AND ANSWERS.

RETIRED POLICE OFFICIALS REEMPLOYED UNDER DELHI RATIONING SCHEME.

136. Mr. Kallash Bihari Lall: Will the Honourable the Food Member please state the total number of police officials (retired) now re-employed under the Rationing Scheme, Delhi? Were any enquiries from the Heads of Departments as regards their suitability for such appointments made before these retired officials were appointed?

The Honourable Sir M. Azizul Huque: One, a retired sub-inspector of police. The appointment was made after an inquiry from his former Department.

REQUISITIONING OF SCINDIA STEAM NAVIGATION COMPANY AND MOGUL LINE SHIPS.

137. Mr. K. C. Neogy: (a) Will the Honourable the Commerce Member be pleased to state:

(i) the total number of ships of the Scindia Steam Navigation Company, Limited, registered in India on the 3rd September, 1939;

(ii) the total number of ships of the Mogul Line, Limited, registered in India on the same date;

(iii) the total number of ships of the Scindia Steam Navigation Company, Limited, requisitioned during each of the calendar years 1941, 1942 and 1943, and the average number of days for which they were requisitioned in each of the three years; and

(iv) the total number of ships of the Mogul Line, Limited, requisitioned during each of the calendar years 1941, 1942 and 1943, and the average number of days for which they were requisitioned in each of the three years;

(b) whether it is a fact that, while only one-sixth of the fleet of the Mogul Line, Limited, was requisitioned in the years 1941, 1942 and 1943, over 33 per cent., 50 per cent. and 75 per cent. of the fleet of the Scindia Line was requisitioned in the years 1941, 1942 and 1943, separately;

(c) if the answer to (b) be in the affirmative, why a proportionately larger number of ships of the Scindia Line was requisitioned, as compared with, the ships of the Mogul Line, Limited; and

(d) if the answer to (b) be in the negative, whether he will be pleased to give the relative proportion of the fleet of the two Companies requisitioned during each of the last three years, 1941, 1942 and 1943?

The Honourable Sir M. Azizul Huque: (a) (i) 25, (ii) 7.

(a) (iii), (iv) and (b) and (d). I regret that the information asked for cannot be disclosed for security reasons.

(c) Ships are requisitioned after taking into consideration their suitability for the purpose in view. This may result in a proportionately larger number of vessels of one company being requisitioned than of another.

SHORT NOTICE QUESTION AND ANSWER.

DEATHS IN BENGAL IN 1943.

Sir F. E. James: Has the attention of the Secretary for Education, Health and Lands been drawn to a press *communiqué* issued by the Government of Bengal and published in the *Statesman* of Saturday, the 11th March, 1944, to the effect that the deaths in Bengal from all causes in 1943 totalled 1,873,749 or 58 per cent. above the average number of deaths in the Province during the last five years? If so, is he in a position to confirm this report or add any further information?

Mr. J. D. Tyson: Yes. The vital statistics given in the Bengal Government's *communiqué* are in accordance with those received by the Public Health Commissioner from the Director of Public Health, Bengal. According to the figures received, the reported deaths from all causes exceeded the average for the previous five years by 688,846. In the first six months the reported deaths exceeded the average for the corresponding period of the previous five years by 10,536; the excess over average in the second six months was 678,310. The total of reported deaths from cholera during the year was 214,175, which exceeded the five year average mortality from this disease by 160,909. The total of reported deaths from malaria during the year was 674,330, which exceeded the five year average by 285,792. Mortality from smallpox was 22,005 or 14,075 in excess of the average.

Sir F. E. James: May I ask if the machinery for the collection of statistics was approximately the same in 1943 as in previous years?

Mr. J. D. Tyson: Yes, Sir; it was exactly the same.

Sir F. E. James: Would that, therefore, mean that the margin of error in 1943 would be approximately the same as in previous years?

Mr. J. D. Tyson: Yes, I think it would be so, approximately.

Sir F. E. James: May I also ask my Honourable friend whether his attention has been drawn to the sample survey of the University of Calcutta, as a result of which rather alarming figures were produced, and whether he knows on what data they based this survey and their subsequent conclusions?

Mr. J. D. Tyson: Yes, Sir, we saw the announced results of the survey and we have asked Professor Chattopadhyaya to supply us with the statistics on which his figures were arrived at. I may, however, add that the figures which I have now quoted to the House are based not on any sample survey but on statistics drawn from the whole province.

Mr. Jamnadas M. Mehta: In view of the gross suspicion about the accuracy of these figures in public mind, will the Government order census of the Bengal population?

Mr. J. D. Tyson: I am afraid census is not the business of my Department.

Mr. K. C. Neogy: Is the Honourable Member aware that in Bengal there is a feeling that the figures read out by the Honourable Member represent a very clever piece of cookery?

Mr. J. D. Tyson: Figures were only put out on Saturday by the Bengal Government and I do not know what the people in Bengal think about it.

Mr. Jamnadas M. Mehta: May I ask the Honourable the Leader of the House whether, in view of this vital question, Government will order census of the people of Bengal?

The Honourable Sir Sultan Ahmed: That is not the business of my Department, either.

Mr. Jamnadas M. Mehta: I am asking you to do this in your capacity as the Leader of the House.

Mr. T. T. Krishnamachari: Is it nobody's baby?

Mr. Govind V. Deshmukh: Is it anybody's duty?

An Honourable Member: May I know whose business it is?

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

Mr. Ananga Mohan Dam: Is the Government ready to introduce a new . . .

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

THE GENERAL BUDGET—LIST OF DEMANDS—*contd.*

SECOND STAGE—*contd.*

DEMAND No. 12—EXECUTIVE COUNCIL—*contd.*

Mr. President (The Honourable Sir Abdur Rahim): The House will now proceed with the further consideration of Demands for Grants.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): If you will permit me, Sir, I would like to substitute Anna one for Rupee one in cut motion No. 73 standing in my name. This will give an opportunity to other Members also to reduce the amount still further under this Demand.

The Honourable Sir Sultan Ahmed (Leader of the House): We object to that amendment, Sir. We would like to keep it as it is.

Sir Muhammad Yamin Khan: All right, I don't mind if other Members are left with anything or not. Sir, I beg to move:

"That the demand under the head 'Executive Council' be reduced by Re. 1."

To discuss the need of immediately appointing a Committee of the elected members of the Central Legislature, assisted by suitable permanent officials to scrutinise the expenditure, for which Government of India is responsible, and suggest where economies can be effected.

The Honourable Sir Jeremy Raisman (Finance Member): With your permission, may I point out that the Honourable Member also gave notice of a cut under the Head 'Finance Department' for the same purpose and that if he were to move the cut under that Head, no question would arise of completely extinguishing the amount under the head 'Executive Council'.

Sir Muhammad Yamin Khan: If that suits the Honourable Member, I have no objection. I will move cut motion No. 129 on the final list which is exactly the same as No. 73, but before I can do that the Honourable the Finance Member shall have to move his demand first.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Why is the Honourable the Finance Member so anxious to retain one rupee under the head 'Executive Council'?

Mr. President (The Honourable Sir Abdur Rahim): If the Government have no objection, you can move that.

DEMAND No. 21—FINANCE DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a sum not exceeding Rs. 8,49,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Finance Department'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a sum not exceeding Rs. 8,49,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Finance Department'."

Appointment of Committee for scrutinising Government Expenditure and suggesting Economies.

Sir Muhammad Yamin Khan: Sir, I beg to move:

"That the demand under the head 'Finance Department' be reduced by Re. 1."

To discuss the need of immediately appointing a committee of the elected Members of the Central Legislature, assisted by suitable officials to scrutinise the expenditure, for which Government of India is responsible, and suggest where economies can be effected.

Mr. N. M. Joshi (Nominated Non-Official): Will it be an *ad hoc* committee or a permanent committee?

Sir Muhammad Yamin Khan: *Ad hoc* committee will be better. Sir, I move this cut in order to discuss the financial position of the country at present. At present we have got two committees which scrutinise the expenditure—one is the Standing Finance Committee of this House, and the other is the Public Accounts Committee. As far as the Public Accounts Committee is concerned, it can only do the *post mortem* examination, and we are told every time 'what is the good of talking or criticising this now because the expenditure has already been incurred'. Sometimes it so happens that we can only discuss the matter two years after the huge expenditure has been incurred. Then, it may be said that there is the Standing Finance Committee. As far as this committee is concerned, I am told that now-a-days it meets during the Assembly Session, and the excuse given for that is that by holding the committee during the Session it saves expenses to the public. But the result of this saving is that because the Members are over-worked, they have to attend the Session day after day, they do not find sufficient time and the work of the committee is done in a hurry. They do not get enough time to scrutinise the expenditure which is brought before them every now and then for sanction.

I will give you a glaring example: Expenditure incurred in respect of evacuees from Burma and Malaya. The Honourable the Finance Member says that he provided for rupees ninety-two lakhs in the current year's budget, but we find that the expenditure has gone up to something like, two crores and ninety-two lakhs, that is to say two crores over and above what was originally provided for in the budget. Two crores is not a petty sum which can be ignored by us. I would not mind if the excess is to the extent of a few hundreds or even thousands, but when we find that the actual expenditure is three times as much as originally provided for and the actual expenditure runs into crores of rupees, I think it becomes our duty to take into consideration all that is happening in the country. This House cannot ignore such huge expenditure incurred in such irresponsible manner. May be the Honourable the Finance Member will bring forward a supplementary demand of two crores at the end of the Budget, but you have ruled that supplementary grants do not involve any question of policy. It has either to be accepted or rejected. The Honourable Member will say that I have already incurred the expenditure and if you do not sanction it I will go to His Excellency the Governor General and get that cut which the House refused restored.

Sir, this is a position which the country and the representatives of the country cannot tolerate any longer. The expenditure of the Government of India should be scrutinised from the very beginning before it is incurred, and I think that unless we devote sufficient time we cannot reduce this expenditure. There is no reason why we should tax our poor people in order to allow the Government to squander away money in the manner in which they are doing. I do not doubt that the money is required and that the different departments have put up these demands on the Finance Department. They may be under obligation to give them or they may be forced to accede to their requirements. But it is for this House to agree whether these rupees, three crores, should be paid to the evacuees of Burma and Malaya and whether our people should have a tax on their *Biri*, their *suparee*, their coffee and tea in order to provide this money. Are we going to be asked that with the reduced incomes of many people, as far as purchasing power of their money is concerned, they should be requested to contribute for these runaway people in such huge quantities? I had asked my Honourable friend in my speech at great length the reason for this and how much is given, and although my friend spoke for more than an hour, he never said a word about the evacuees of Burma and the expenditure incurred on them.

The Honourable Sir Jeremy Raisman: I have already told the Honourable Member that they are Indians. I hope the Honourable Member will not gloss over that fact.

Sir Muhammad Yamin Khan: Will he produce anything to show that there was any reference to this in his reply?

The Honourable Sir Jeremy Raisman: I explained it in some length in the Budget speech last year.

Sir Muhammad Yamin Khan: My Honourable friend says last year. I am talking of this year. How has it gone up from Rs. 72 lakhs to Rs. 2 crores 72 lakhs and without the sanction of this House? Has this House just to give its votes to tax the people or must the people be taken into consideration and must we not scrutinise this expenditure. Our people are being taxed and we do not know. This is one example out of very many. The expenditure is increasing from day to day and large amounts are asked for sanction at the end of the year, which are shown in supplementary demands, for which we feel that there is no justification. They ought to be scrutinised by the committee of the people who are responsible on this side of the House to see whether the expenditure is justified or not. I do not think that my Honourable friend can have any objection to satisfy the people of this House and the elected Members of this House that the amounts which are demanded from different quarters are really just and they must be met from the Indian Exchequer.

Sir, I find that military expenditure has gone up by Rs. 73 crores and these Rs. 73 crores he is proposing this year. I am not saying that we should ignore our defences, or that we should not provide everything which is required for the military defence of this country. At the same time I do not want to attach any sanctity to the word 'war' and the defence of the country and that in the guise of all this huge sums of money should be spent irresponsibly. That I cannot allow. We are people who have greater interests in this country. We will not allow our country to be run over by any foreigner and destroy our home-lands. But at the same time I want to scrutinise every penny that is being spent, whether it is being spent for the defence of India or whether it is going into the pockets of those people who are put in charge of expenditure.

My Honourable friend knows that there have been many glaring cases where officers have been found guilty for taking bribes and the money has been recovered from their houses. In one case that came to light, a Major was caught in Connaught Place and Rs. 70,000 recovered from his flat. Well, this is only one case where the Government or the C.I.D. was vigilant enough to capture one man. But there may be thousands like this, which never come to light and who are not caught.

In the beginning the Honourable the Finance Member said that his income from taxes would be Rs. 102 crores but this year he says that he will realise Rs. 138 crores. With regard to excess profits tax, he thought that would bring in Rs. 40 crores, but he now thinks it will be Rs. 62 crores and 25 lakhs. Apart from those people who are going to pay this tax, there are lots of them below Rs. 30,000 who have escaped the excess profits tax and have made huge gains from the public exchequer. Most of these people come from the Contractor class, who have not only made huge profits but they are the people dealing with the Government.

Mr. President (The Honourable Sir Abdur Rahim: The Honourable Member's cut motion is to reduce expenditure.

Sir Muhammad Yamin Khan: To appoint a committee to reduce expenditure.

Mr. President (The Honourable Sir Abdur Rahim): But there is no question of excess profits tax?

Sir Muhammad Yamin Khan: I am saying that the excess profits have been taken out of the income, which the Government of India has earned.

Mr. President (The Honourable Sir Abdur Rahim): That is a different matter.

Sir Muhammad Yamin Khan: They have increased very much and therefore they should be scrutinised properly in the departments which are the expending departments. My Honourable friend is vigilant and his department scrutinises to a certain extent but their scrutiny is not satisfactory because they cannot do it so properly as the body of the elected Members of this House, since we are in the know of many things which can never reach the Department which is presided over by my Honourable friend, the Finance Member. We are in touch with the public, we know where the money is being squandered and how and at what rates the contracts are being given and at what prices the articles are being purchased.

Some time ago, I know that in one of the factories supplies came in and about one lakh of shoes of one foot was found lying in Cawnpore or some other place and they could not be touched because they had been purchased by the Government. If a thing like this can happen without it reaching the ears of my Honourable friend, how then are these things to be carried on from day to day and who has to pay?

I think, it is high time that this House must have a Committee to go through all the expenses of the Government—I do not say that you should
12 Noon. not have the military, you have asked for 2 millions this year, and if you require three millions next year for the defence of India, I will vote for it, but you should not put it off simply because there is a sanctity attached to the word Army and no person should check the expenditure. That thing must be stopped. A scrutiny must be exercised to bring the expenditure, where possible, on proper lines and under proper control. There are many examples, which within the course of 20 minutes at my disposal is not possible for me to bring before the House: and I do not think it necessary to go into greater details to show how money is spent, rather squandered. It is only sufficient to say that this House is not satisfied by the way in which the money is being spent. Now, Sir, the military is given 73 crores this year, and I do not know if it will be 100 crores next year or even more may be added to the expenditure, and if the war continues 200 crores may be further added to the expenditure. Betel nuts has been taxed, coffee and tea are being proposed to be taxed. God knows what other things the Honourable the Finance Member has in his mind which he will tax next year. The Honourable the Finance Member has taxed things which are of daily use. A man cannot find money to buy a cup of milk, even if it is required to feed his child. This is the condition of this country on account of rise in prices and there is, therefore, no justification for us to over-burden such men as are not able to meet their expenses which are absolutely essential. On the other hand, we are increasing our expenditure. We should learn lesson from the businessman like Sir Richardson, who, finding that the expenditure is unnecessary, would try to cut it down—he would much prefer to purchase a thing from the market at a lesser price, if he thinks that such a thing is necessary.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has got only one minute more.

Sir Muhammad Yamin Khan: I will finish. This being the condition, I think, economy must be effected and a Committee of this House be appointed immediately which will go thoroughly into all these matters. I do not propose the names of the people who should be members of this committee. I simply suggest that they should be elected Members and such Members who criticise the way in which the Government spend the money. I do not want members who simply say that the budget presented by the Government is excellent and that the way in which the money is spent by the Government is all right.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Sir Muhammad Yamin Khan: With these words I commend my cut motion to the House, and I hope that every Member will support this and will not like his own people to be taxed further, when every thing can be met from the huge budget which has been presented before this House.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Finance Department' be reduced by Rs. 1."

Sir F. E. James (Madras: European): Sir, my Honourable friend Sir Muhammad Yamin Khan has raised a very important question relating to the control of the Government of India's expenditure, particularly, as I understood him, during the war. Some years ago, in 1938, there was a discussion on a motion moved by one of the Members, I think, of the Congress Party, recommending the appointment of a Retrenchment Committee. I gather that my Honourable friend, Sir Muhammad Yamin Khan, now wishes a Retrenchment Committee of this House to be appointed to go into the whole range of Government expenditure at the earliest possible moment.

Sir Muhammad Yamin Khan: The words of my cut motion are quite clear. I want a committee for the purpose of scrutinising the expenditure for which Government is responsible and it will also suggest where economies can be effected.

Sir F. E. James: In other words, that is retrenchment.

Sir Muhammad Yamin Khan: To stop extravagance.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not interrupt, he has made his speech.

Sir F. E. James: Sir, I am in some difficulty to know precisely what my Honourable friend really does mean.

An Honourable Member: Oxford dictionary is available in the Library.

Sir F. E. James: When we were discussing this matter some years ago, I had the honour to suggest the appointment of an Estimates Committee, then I found that my Honourable friend was objecting to that proposal in favour of an *ad hoc* Retrenchment Committee. Therefore, if he proposes an *ad hoc* Retrenchment Committee, I am afraid, he will not be able to carry us with him, for now is not the time for such a committee. We are now in the fifth year of the war and the time is not the proper occasion for the appointment of a committee whose work is bound...

(At this stage there were many interruptions.)

My Honourable friends do not wish to hear anybody expressing his views if they are not exactly in accord with their own. Their absence has not improved them in that direction. I very much regret to say that. I beg them to listen to what I have to say just in the same way as I do when they speak.

I was saying it is not the proper time for a general review of Government expenditure. On the other hand, it is important to know what steps the Government themselves are taking to control the expenditure of their main spending departments. I have had some experience of the method of control of expenditure adopted by the Finance Department in the case of one or two departments of the Government of India. I know that to a far greater extent than in the last war the Treasury exercises in some of the great spending Departments today a very close and constant check. In fact, I have occasionally irked the control which the Finance Department exercise in some of the spending Departments. Honourable Members, I think, sometimes do not appreciate the strain under which the administrative departments of the Government of India are working. I was shocked to find in the paper this morning the news of the death of Mr. Chapman, one of the most loyal and competent officers of my Honourable friend the Finance Member's Department, who was working until only the other day in the Supply Department as his representative. I would like to pay a tribute to his work. I know from my personal association with him in that department that there was no more zealous watch-dog of the interests of the country than Mr. Chapman.

So much for the Treasury control over the spending departments. I would like to ask the Honourable the Finance Member to be good enough to explain the control he does now exercise over some of these great departments. But my Honourable friend, the Mover of the motion, is really dealing with the control of the Legislature over the expenditure of the Government of India, and that, I agree, is an extremely important matter. He referred to the Public Accounts Committee and the Standing Finance Committee. The Public Accounts Committee's examination is, of course, a *post mortem* examination. As regards the Standing Finance Committee the examination is pre-natal. All proposals for new expenditure come before that Committee, but once those proposals have received the sanction of that Committee, further expenditure relating to those items do not come back to that Committee for further examination. That is why in 1938 we suggested to the House that an Estimates Committee would be a much more effective check over the spending departments of the Government than the present Standing Finance Committee or the Public Accounts Committee. I would remind the Honourable the Finance Member that in 1938 his predecessor was

prepared to accept as an alternative to the Standing Finance Committee, an Estimates Committee. It was to be composed of 15 non-official Members elected by the Assembly for the year. The Committee was to have its own Chairman; the Deputy Secretary in the Finance Department dealing with the budget would be the Secretary of that Committee. The terms of reference of the Committee would be to suggest any changes in the form in which the estimates might be presented to the Legislature and to report what, if any, economies consistent with the policy implied in those estimates could be effected therein. The terms of reference of this proposed Committee were practically the same as the terms of reference of the Estimates Committee of the British House of Commons. That Committee would sit from time to time and examine each year with the assistance of the departmental officers a group of estimates selected by the Finance Department; and the Finance Member of that day made a suggestion as to the first group of estimates which might be considered by that Committee. Sir, it seems to me that that is the direction in which my Honourable friend, Sir Muhammad Yamin Khan, might look for a closer check by the Legislature upon the spending departments of the executive.

Sir Muhammad Yamin Khan: That is an alternative proposal you are putting forward.

Sir F. E. James: It is an alternative proposal to my Honourable friend's proposal. I do not think the time is ripe for a retrenchment committee. A time will come when that will be necessary, but in the most intensive year of the war as far as India is concerned, obviously it is most unsuitable that there should be a retrenchment committee appointed for the purpose of scrutinising the expenditure of the various departments of the Government of India. Had my Honourable friends at that time only accepted the proposal that we made for an Estimates Committee, (which I note was rejected by the House by only two votes, my Honourable friend voting against), then he could have had to-day in existence a very powerful check upon the day to day expenditure of the administration.

Sir Muhammad Yamin Khan: Times have changed.

Sir F. E. James: But he chose to reject that proposal in favour of the Standing Finance Committee, which, as I have said, does not really exert any substantial check upon the administration. Therefore, I regret very much that I shall not be able to follow my Honourable friend in this matter. But I would ask the Honourable the Finance Member whether he would at some stage, not necessarily now, be prepared to consider the suggestion of an Estimates Committee, if it were made to him again. I feel that in that way the control of the Legislature over the spending departments of the Government of India would be infinitely more effective than it is to-day.

Sardar Mangal Singh (East Punjab: Sikh): I rise to support the motion moved by Sir Muhammad Yamin Khan on behalf of the Muslim League Party.

Sir, this motion raises a very important issue, that the expenditure of the Government of India should be scrutinised by a committee elected by this Honourable House. I think that the Government of India should have no hesitation in accepting this motion because it will only act as a surveillance committee on the expenditure of the Government of India. The Honourable the Finance Member himself does not want any extra expenditure or any waste in his Department, and this proposed committee is, as I understand the Honourable Mover of the cut, to supervise the expenditure of the Government of India. This proposal is all the more necessary because most of the expenditure of the Government of India is non-votable, particularly...

Sir Muhammad Yamin Khan: Yes, that is the point.

Sardar Mangal Singh: The defence expenditure which has mounted up to more than Rs. 300 crores is not put for approval or even for discussion before this House. Before the passing of the 1935 Act, Defence expenditure and the Defence Department used to come up here for discussion at least, but

[Sardar Mangal Singh.]

after the passage of that Act, even that opportunity has been taken away from this House, and the expenditure has mounted. I put it to the Honourable the Finance Member whether it is not necessary now, in view of the increase in expenditure and in view of the fact that this House has no say in the expenditure of the Defence Department, that he should agree to the appointment of a committee. The committee will only look into details. Then again it is necessary because the Government of India has come to an arrangement with His Majesty's Government regarding the allocation of defence expenditure by what is now known as the Financial Settlement. The terms of that Financial Settlement are very vague and elastic. Apart from the normal budget which amounted to Rs. 45 crores, now we have come to a position when that expenditure has risen to more than 300 crores. The Honourable the Finance Member, the other day, while replying to the General Budget debate, asked: "Do the Members on this side of the House expect that the Defence expenditure should be less than what it was in 1939-40?" We do realise that in view of the war the expenditure will go up, but we only insist on this, that we should be told exactly where this money is being spent, how this money is being spent. In my speech I put it to the Honourable the Finance Member to tell us how many hundreds of crores have been spent on behalf of His Majesty's Government by the Government of India. In his budget speech in 1941-42, and again in 1942-43, he gave two figures. In the first year he said that the Government of India had spent 200 crores on behalf of His Majesty's Government. Again in 1942-43 the Honourable the Finance Member said that the Government of India had spent Rs. 400 crores on behalf of His Majesty's Government. This was two years ago. After that, the Finance Member has discontinued even informing this House how many hundreds of crores they are spending on behalf of His Majesty's Government in this country. I categorically ask the Finance Member at least today to tell me what that figure today is. During the last two years, that figure rose by 100 per cent. If it has been increasing like that, it should be now 1600 crores, from about 8 to 16, but I do not think it would be that much. At least I want to know that figure.

Now, Sir, in the financial settlement, they have put down that, apart from the normal defence budget, expenditure would be incurred on joint Indian war measures. We do not know what those joint Indian war measures are. We are told that according to that settlement those Indian troops who are sent abroad are to be paid by His Majesty's Government and those Indian troops who will remain here—the British also—will be paid for by the Indian Government. This settlement was in 1939. Since then the position has changed. At that time Japan was not in the war. India has now become one of the most important operational bases of this war. With the establishment of the South East Asia Command and with the coming of Lord Mountbatten in this country, India has become the springboard from which the United Nations will rise and conquer Japan. Now, Sir, I want to know whether the expenditure of all these troops who have been placed under the command of Lord Mountbatten are to be paid by this country or they are paid by the United Nations. I know you do not require my vote. This House is nothing but at least I have to pay. My children have to pay. I at least want to know, and if possible to scrutinise, the expenditure. It is not fair that all those armies which have been placed under the command of Lord Mountbatten should be paid by India. The other day, the Finance Member said that the establishment of the South East Asia Command will neither diminish nor increase the liability of this Government. I ask—is it fair, when all these troops stationed in this country are not intended for the local defence of this country. They are being prepared to reconquer Burma, Malaya and defeat Japan. They are being trained and equipped in India. Is it fair to burden this country with the expenditure on these items? I at least want to know whether you are paying for these troops. I want to know how all

THE GENERAL BUDGET—LIST OF DEMANDS

those troops who are stationed behind Arakan and on this side of the country in India are paid for and by whom. According to the financial settlement, the Government of India will pay for all the troops, Indian and British, who are stationed in this country. But if those troops are stationed in this country to conquer Burma and other countries, then surely it is fair and just that that expenditure should not fall on this country. I want to know who is paying for these troops and if you refuse to tell me that, there will be a natural suspicion that there is something wrong and that you are misusing the finances of my country.

Then again there is the vexed question of the fixing of the ceiling. How many troops exactly do you want for the local defence of this country. Before the war, the number of our troops was only one lakh and 50 thousand, including the British and Gurkha troops, but now the number of troops has risen by more than 20 lakhs. Surely all these 20 lakhs are not required for the local defence purposes of India. They are required to reconquer Burma, and I put it to the Government of India and to the Finance Member whether it is fair that we should pay for the reconquering of Burma. When the Government of India agreed to the separation of Burma, we protested in this House. But the Government said 'No'. The Frontiers of India are near Arakan and this side near Bombay. When the war began, somebody said that the frontiers of India are the Nile on one side and Singapore on the other. Why is this. Because the Government of India wanted to burden this country with the defence expenditure for the troops that will be sent to guard Egypt and to guard Singapore. That was surely not fair.

Then again, about fixing the ceiling, I want to know how many troops you require for local defence. The motion which my Honourable friend, Sir Yamin Khan, has moved raises all these points. To me, it is very important that the Government of India should come forward with an open mind, without any hanky panky or shilly shallying. What is the difficulty, I ask, to agree to this proposal. Show us the accounts. There is a Persian saying:

*"An ra ki hisab pakast
Az muhasibah chi bak ast."*

It means: If your accounts are clear, why should you be afraid. So, the Finance Member should not be afraid.

The Honourable Sir Jeremy Raisman: I am not afraid.

Sardar Mangal Singh: Then, why don't you agree to this proposal. I do not think the Government of India should take this motion seriously as a political motion or a censure motion. My country wants to know how you are spending and where you are spending and whether the expenditure placed on this country is justified, when its inhabitants are dying, are naked and have no food or clothing. We at least want to know here that you are not unnecessarily spending the revenues of the country. I commend the motion to the House.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): Mr. President, I am afraid this cut motion as drafted by my Honourable friend is rather vague, especially under present conditions, but the Honourable Sardar Sahib has raised one or two very important points. During the last budget discussion I had occasion to bring to Government's attention a point which was causing considerable anxiety amongst people who take an interest in India's finances. I refer to the allocation of defence expenditure between India and His Majesty's Government. The Honourable the Finance Member explained in his last Budget speech the method adopted of checking that allocation on behalf of this House and on behalf of the peoples of India. I believe he pointed out then or afterwards that this method was a constitutional method. I believe he used the word 'constitutional'. The method is this: known as the Public Accounts Committee. The Auditor General of India. These allocations come before a Committee of this Honourable House which examines them on our behalf, the Auditor General in England examines them on behalf of England and the Public Accounts Committee of the House of Commons examines them on behalf of England.

Sir Muhammad Yamin Khan: We say that the money should be properly spent and that it should not be spent if the expenditure is not justified.

Sir Cowasjee Jehangir: Now, let us examine and see how for this House and the larger public who are much more interested than many of us here, and who have amongst them men, if I may say so with due respect to my Honourable friends opposite, who understand these problems much better than many of us do, would like to know who scrutinises these accounts on behalf of this House and the peoples of India. It is this Public Accounts Committee. Now, this Public Accounts Committee is a Statutory Committee and is appointed for a very definite purpose. I do not wish to repeat all that I said a year ago, but it is as well to remember the present position. This Public Accounts Committee is a Statutory Committee, as I said, appointed for a very definite purpose. When the Legislature decided that there should be a Public Accounts Committee, it never contemplated the very heavy task of having to check the allocation of the defence expenditure between England and India because there was no question of war then. I did point out that in my humble opinion this Public Accounts Committee was not suitable to do this very important work on behalf of this House and the public of India. And my Honourable friend's reply was quite logical when he said that this is an arrangement between England and India. This is a constitutional method and if we were to change it, we could not do it without their sanction. I do not wish to misrepresent him, but I think this is what he said.

The Honourable Sir Jeremy Raisman: I am afraid the Honourable Member is misrepresenting me very considerably as I shall have to explain.

Sir Cowasjee Jehangir: I will stand corrected. All I ask is that a more representative *ad hoc* Committee be appointed to go into this question of allocation of defence expenditure between England and India and that alone will satisfy public opinion. I do not impute any motives. It is very possible that this allocation is being done to the advantage of India. Possibly it is.

The Honourable Sir Jeremy Raisman: That is not the kind of phraseology that can appropriately be used. It is being done in accordance with the financial settlement. That is the point.

Sir Cowasjee Jehangir: And perhaps the financial settlement is to the advantage of India.

The Honourable Sir Jeremy Raisman: That is a different matter.

Sir Cowasjee Jehangir: The financial settlement may be to the advantage of India. But surely the public outside this House is to be convinced of that and they have to be satisfied. Until another method is devised of satisfying the public, we shall continue to get such criticisms as have been expressed by the Honourable Sardar Sahib today.

Now, Sir, let me candidly admit and let us all candidly admit that we may appoint committees which may be statutory committees or *ad hoc* committees for a certain purpose, but very much will depend upon the personnel of these committees. The mere appointing of committees will not help us. We have to see how these committees function and how they are manned.

Sir Syed Raza Ali (Cities of the United Provinces: Muhammadan Urban): And what are the powers of those committees? That is the main test.

Sir Cowasjee Jehangir: You may give them as much power as you like, but they are, after all, advisory committees to a certain extent, who report and tell you what is the position. But it will depend, let me repeat, upon the personnel of those committees. I would, therefore, respectfully suggest that on this committee there should be representatives of the public who may not be the Members of this Honourable House. It should be an *ad hoc* committee only for this one purpose of reviewing the allocation of expenditure on defence between England and India. It should report to this House but it should not be confined only to the Honourable Members of this House or the other House. Some representative men in India who may not happen to be the Members of the Central Legislature should have the privilege of being members of this

committee. And I would urge the reconsideration of the question that I brought up at the last Budget Session that if it is a constitutional question, surely constitutions can be changed. If anything can be done, I would suggest that it should be done in the right direction.

Mr. Muhammad Nauman (Patna and Chota Nagpur *cum* Orissa: Muhammadan): Mr. President, Sir, this cut motion is moved in the nature of an advice to this Government and is more aimed at to help the post-war reconstruction than the removal of the actual economy planning difficulties that are being felt under present conditions. Only yesterday we had a hot debate on another more comprehensive issue and probably heat was introduced unnecessarily. Constitutionally, we know that the Executive Council is not responsible to the Legislature but there would be no harm if they become responsive and if we build up a tradition that they should be responsible to the Legislature particularly when the majority of the Executive Council consists of Indian Members and we certainly expect that they should appreciate this position more than non-Indian Members. It is with that end in view that my party has moved this cut motion and propose to give them a concrete suggestion. It may be said, as the Honourable the Finance Member said the other day, that this is not the time for planning economy and Members will not be justified in proposing a reduction or retrenchment at a time when everybody is finding it difficult to purchase the necessities of life with the salaries that they receive. I may make it clear that by planning for economy, there is no intention of cutting down the salaries or removing the necessary staff or refusing to sanction the necessary establishment. What is aimed at is a committee of vigilance which will see to the practical economy and whose members may advise and arrange for our resources being used to the best advantage of the country and in the most economical manner to avoid any waste. This committee will look into the whole question. It may be that certain Departments of the Government of India are overstaffed with high officers and clerks. There may be other Departments which are understaffed. This committee would look into the whole structure and advise the Government how best to utilise the extra staff in certain departments for relieving pressure in those departments which are understaffed.

On this Cut Motion, I do not want to indulge on the issue of military expenditure, because that subject, as Honourable Members have already observed, is non-votable. There is not much to be done for or against it. Besides, it will probably be impossible for a committee of this nature to advise the military department either as to the desirability of employing a certain number of soldiers or as to volume of their equipment and so on. In that respect, this Committee may not be of much use. What I want to impress is that Departments like the Supply and the Food require more economic planning. These two Departments have become practically the dumping ground for all sorts of people with doubtful qualifications, and these Departments are also the dumping ground for all sorts of merchandise in this country, good, bad or rotten. I do not wish to cast any reflection on the heads of these two Departments, but it is an open secret that they have not done what they ought to have done. It may be that by better planning the stocks required by the Supply Department may be made available at cheaper rates and this will mean practical check on inflation. It may be possible as far as the Department of Food is concerned that procurements may be made available at cheaper rates and that better facilities for distribution of foodstuffs may be devised with the advice of this Committee. It may not be out of place to mention that the Government of India have been indulging in expenditure in many Departments which are absolutely unnecessary. I have been associated with the Railway Department as a Member of the Standing Finance Committee for Railways for many years. I have seen that only last year serious efforts were made to abolish the lower gazetted service, and in that way the cost in the shape of salaries and emoluments would have come to about six lakhs yearly or to a capitalised value of over 1½ crores. In the same Railway Department, we find that a new Member for Engineering

[Mr. Muhammad Nauman.]

has been appointed. It may not be very long before we will see all the paraphernalia round this officer with so many Directors, Deputy Directors, Assistant Directors, Personal Assistants and all sorts of fellows will be brought in at the expense of the rate payers. The taxpayer will be called upon to pay to the tune of over four lakhs a year. This is one Department. There are several other Departments which are mere luxuries. I am not suggesting that in all cases the Departments are luxuries, they may be necessary in some cases, in others they may not be at all necessary. On the pretext of war, the Government of India have not only doubled themselves in volume, but in some cases, they have quintupled themselves. Where a department formerly consisted of 50 officers, it now contains 200 officers besides the necessary complement of clerks, etc. The volume of work may not justify such an increase of staff. We are not convinced that the work justifies the increase everywhere. At the whim of a certain individual officer, the staff is increased on the pretext of war and war conditions. So, Sir, I think it is absolutely necessary that some sort of programme for planning Economy should be made at this stage and it is idle to suggest that at a time when we are faced with all sorts of expenses on account of war, sometimes even extravagant expenses, therefore we should not entertain the idea of a committee of economic planning. I think this is the only right time to have a committee of this nature. It is only in opulence that you plan for economy, a poor man can have no plan for economy, he has no money to spend. Probably it is at this time when we have to incur large and heavy expenditure, when we have to budget for an increase in taxation that we should think of economy and planning. Without a plan for economy it may not be possible for us to get substantial reductions in all the Departments, even on the termination of war.

I am glad to see that the Honourable Member for Supply is now in the House. As I was saying that these two Departments, Supply and Food, have been the dumping ground for all sorts of people. Some fellows who could not earn Rs. 50 a month for whole of their life find themselves appointed on Rs. 500 a month in these two Departments. There are not only one or two cases, not tens of cases but hundreds of such cases. That has been the practice in both the Supply and Food Departments. If a particular commodity could be purchased say at Rs. 20, the officers of these two Departments do not mind paying Rs. 30 or even more for the same commodity. I have also seen that the Officers in the Supply and Food Departments most frequently resort to telegraphic and telephonic communications. I may agree that sometimes it may be necessary. But it often happens that the officers of these two Departments do so merely for the sake of pleasure. They use telephone for conversation to distant places like Bombay or Calcutta and in the end the result is nothing satisfactory. It takes sometimes 15 days to put a transaction through. This could have been accomplished without resort to telegram or telephone, but by postal correspondence. The Food Department is much worse in this respect. Unfortunately the Honourable Member for Food is not present here, and so I do not want to dilate on this subject at length. The idea of this cut motion is to have a sort of vigilance committee. I was glad to hear my Honourable friend, Sir Frederick James, say that he was having this in mind when he moved for an Estimates Committee few years ago—just at the advent of War. Probably he was wiser than others, as we have brought this too late in his opinion. But can that be a ground for Sir Frederick James refusing at this stage a support to this motion. It is not exactly an estimates committee that we are proposing but something which would work as a sort of some check, if nothing else, on the departments which are indulging in all sorts of things. At least this will create confidence and an impression in this House and outside in the country that everything is being done. Government will have advocates to say that the impression that the Government of India are developing these departments without use or necessity is wrong; they will be able to show that only such people are employed as are absolutely necessary, that the minimum number of officers is

put in and the utmost economy is being planned. The Honourable the Finance Member has tried to say that many times but why not allow other people also co-operate with him in that planning which he may have in mind and which may be for the ultimate good of Government and of this country? The purpose of this motion, therefore, is not to create any difficulty, but it is a sort of test as to how far the Indian Members of the Executive Council are prepared to build up a tradition that there is responsibility attached to them on behalf of the country and they are prepared to accept the advice of this House when tendered in a manner which is in the interest of the whole country.

Sir, I support the motion.

Mr. K. C. Neogy (Dacca Division: Non-Muhammadan Rural): Sir, my Honourable friend the Leader of the European Group in the course of his speech on the Budget made a forceful suggestion that Government should immediately undertake an anti-waste drive with a view to securing economy in public expenditure. I take it, Sir, that the object which my Honourable friend, Sir Yamin Khan, has in moving this cut motion is to suggest a machinery through which that anti-waste drive might be undertaken. I fail to appreciate my Honourable friend, Sir Frederick James' difficulty in interpreting the terms of this cut motion, because, as I read the object of the motion, it is not intended that a regular retrenchment committee should be appointed but that a committee of the Legislature should be enabled to scrutinise expenditure for which the Government of India are responsible, and suggest where economies can be made. I endorse the suggestion which has just now been made by my Honourable friend, Mr. Nauman, that there are certain departments of the Government of India,—like the Food Department, the Supply Department and perhaps the Public Works Department which is concerned with military works,—the transactions of which require to be more carefully scrutinised than the transactions of the other administrative departments. And while on this point, may I draw the attention of the House to what is allowed in America? Nowadays even the Government of India are not ashamed to copy things from America. Here is a copy of a very well known American journal called *Post* dated 9th October, 1943, where we find an illustrated article showing that a Congressman after voting billions of war appropriations, set out to see how it was being spent. This one man's investigation covered 48 plants in 44 days. It is a very interesting article, and it just enables us to appreciate what part the non-official members of the legislature in America play in regard to such important matters. It is stated in this article that—

"This legislator got the information that a lot of extravagance can be stopped in the production of military equipments if somebody would just take the trouble to look into things instead of swivelling about in a chair in the capital."

Let me imagine my Honourable friend, Sir Yamin Khan, undertaking such a work himself; let me imagine him approaching a munitions factory. What is the kind of reception that he is likely to get from the gateman?

The Honourable Sir Jeremy Raisman: Please continue the picture. Assuming that he is well received, what does he do then?

Mr. K. C. Neogy: He would run the risk of being shot at, perhaps necessitating a motion for adjournment of this House the very next day.

The Honourable Sir Jeremy Raisman: I am prepared to guarantee his benevolent reception. Please continue.

Mr. K. C. Neogy: I am very glad to find my Honourable friend, the Finance Member, in an accommodating mood today.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Because no money is concerned in it.

Mr. K. C. Neogy: But would he give that guarantee to a body of selected people that my Honourable friend has in mind, and who may be constituted into a committee for the purpose of undertaking this interesting adventure? I take it that my Honourable friend is anxious that the Legislature having been

[Mr. K. C. Neogy.]

made responsible for finding funds of such dimensions for the purpose of carrying on the war, should have some opportunity given to them to assure themselves that the money is not being absolutely wasted. It is true that we have not got to vote the major portion of the money that is being spent directly, as we do in regard to these demands for grants; but the fact remains that the money has to be raised by taxation and with the assistance of our votes. And therefore, Sir, I endorse my Honourable friend's anxiety in this matter and hope that Government will find it possible to institute a sort of inquiry in which the non-official elements in this House might be associated.

Reference has been made to the control exercised by the Finance Committee as well as the Public Accounts Committee. So far as the Finance Committee is concerned, I speak with some amount of experience, because I was a member of the Finance Committee ever since 1921 for several years together; and from what I know of the present-day functions of the Committee, I can say that the utility of that Committee has been considerably circumscribed; so much so that I find my Honourable friend the Finance Member himself has appended his signature to a report in which this particular observation appears:

"The position, therefore, is that the executive is now able to utilise funds without the consent or even the knowledge of the legislature, and there is no safeguard to show that the matter will be brought to its notice or to the notice of its representatives in either of the committees which deal with finance."

The reference is to the report of the Public Accounts Committee for the year 1941-42, and it deals with unanticipated credits, and the elasticity which the departmental heads enjoy in regard to appropriation of funds made available to them in the shape of unanticipated credits without either the legislature knowing anything about the matter or the matter being placed before the Standing Finance Committee for its approval.

The Honourable Sir Jeremy Raisman: I hope my Honourable friend realises that the observation was entirely limited to that very small field.

Mr. K. C. Neogy: I made that quite clear that it was with reference to a particular point.

The Honourable Sir Jeremy Raisman: But it is not an observation from which any wider inference can be drawn. It is simply in relation to that narrow field that we admitted that the position was not satisfactory and devised means to remedy it.

Mr. K. C. Neogy: That is true, but this gives an indication of the nature of the duties of the Finance Committee. That is to say, the Finance Committee has not got a very comprehensive scope of examination of public expenditure.

The Honourable Sir Jeremy Raisman: On the contrary does it not show that in a certain field in which they discovered that there was no satisfactory arrangement they immediately proceeded to consider what should be done?

Mr. K. C. Neogy: Yes, I entirely agree with my Honourable friend that the particular point arises with reference to a particular set of circumstances. But I say that that itself shows that if we are under the impression that the Standing Finance Committee is there as our watchdog to safeguard the financial interests of the country, we are mistaken.

Then again, Sir, with regard to the Public Accounts Committee's work. The

Public Accounts Committee functions in the sphere in which the Audit authorities function. It is really on the reports of the Audit authorities that the Public Accounts Committee goes into different matters which may be brought up for their consideration. This again is an extract from the Report of the Public Accounts Committee, as regards relaxation in the audit control that has come about as a result of war exigencies. This is what I find:

"The Auditor General informed us that no less than 23 per cent. of his officers and 20 per cent. of his staff have had to be given up to the other Departments of Government who were in need of their services, that their place has been taken by new and inexperienced staff, that at the same time the number and magnitude of transactions required to be audited has increased owing to the war, and that the consequence has been that throughout the whole field there has been a relaxation of the standards of audit, a partial suspension of local audit and a reduction in the quantum of audit."

Now, Sir, this is a very serious state of things, though I appreciate the reasons that have led to this particular result. But my object in drawing the attention of this House to this particular point is this: That here again we would be labouring under a misapprehension if we thought that at the present moment the circumstances that exist for the purpose of enabling the Public Accounts Committee to discharge its functions are such as would enable any strict vigilance over public expenditure. Now, Sir, having regard to these circumstances, I think it is a legitimate demand for the non-official Members to put forward that we should be associated in any enquiry that might be thought necessary, following on the suggestion of the Honourable the Leader of the European Group, into expenditure of certain departments of Government. As a matter of fact, certain particular types of expenditure may be picked out by agreement for the purpose of having a sort of an *ad hoc* inquiry to be made therein. Even if this is not comprehensive enough or exhaustive enough, the very fact that there is a body of persons in which non-official Members of this House are associated to go into these matters, may produce a salutary effect, because, as I said yesterday, the air is thick with reports about corruption and bribery about which a reference was made by no less a person than the Chief Justice of Calcutta. I would like to know, Sir, the reaction of the Honourable the Finance Member to the particular proposal that has been made. If it is not his intention to accede to the suggestion made by my Honourable friend, Sir Muhammad Yamin, what is it that he would do to reassure public mind in regard to this very important matter?

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot: Non-Muhammadian Rural): I have the honour to support the motion moved by my Honourable friend, Sir Muhammad Yamin Khan. I first thought that this will be a matter which will be unanimously supported by all the elected Members of this House, and having heard the speech of the Leader of the European Group on the Budget discussion and he having admitted that the need for economy was necessary. I did think that he and his Group will support us in this very moderate motion. The Government is now spending about four times the expenditure which they were spending in normal times—I do not say that it is without justification; they may have their own justification for that. Our normal budget used to be about 80 crores of rupees before the war and it is nearly three hundred crores today. If Sir James Grigg accepted that a more improved machinery than the Standing Finance Committee was necessary many years back when the budget was only eighty crores, does it not go to prove, now that the budget is three-hundred crores, that the need for an improved machinery is much greater? But one reason is given: We are in special circumstances. Certainly, Sir, we are in special circumstances. Money has to be spent urgently, expenses have to be incurred immediately and sometimes even at enhanced rates. While generally agreeing to this proposition, Sir, it is impossible not to admit that there has been a tremendous waste in the public expenditure of this country. Some of us publicmen of this country come into touch with the contractors, with the people who execute the orders of the Central Government for the military and other Departments. The whole world knows how the money is being wasted and what is going on behind the scene. I was told by a gentleman this morning of what happened only recently. A contractor put in a tender for a certain work; his rate was low. The officer in charge, who was to accept the tender, asked him to double the amount and the deal was to share the difference in the proportion of 3/4th for the officer and 1/4th for the contractor.

The Honourable Sir Jeremy Raisman: How will the Committee come into this transaction?

Mr. T. S. Avinashilingam Chettiar: I will tell you, Sir. The Committee will consist partly of businessmen who know the market.

Sir, I was talking today with a member of the Government of Gwalior State. I asked him how his Government controlled the business, and he gave me a constructive suggestion. His reply was, "The Finance Department in my State has laid down that no tenders of public works should be above a

[Mr. T. S. Avinashilingam Chettiar.]

certain percentage of the 1938-39 level and we are able to do that". If you are careful about it, you can certainly get your orders executed at that level. It is simply because you do not fix any level in respect of any contracts or any sort of business, that the temptation is so great for those who are concerned,—it may be a major or it may be a minor. I asked some of my friends as to why big officers also are carried away by the temptation. Are they not Englishmen, are they not patriots? But this is what an Englishman is supposed to have told: "War after all comes but once in a life-time and we have to make a job of it at this time; it is not any individual who pays, it is the Government—it may be the Government of United States, or it may be the Government of United Kingdom, or any other Government for the matter of that. And during the time of war we must get things done". So this is what is happening. Money is being wasted. You must have read in the papers that a poor Major's house was searched and Rs. 70,000 was recovered . . .

The Honourable Sir Jeremy Raisman: Why poor? Does the Honourable Member sympathize with him?

Mr. T. S. Avinashilingam Chettiar: Poor because he will think that so many others who are doing the same thing have not been caught and he has been caught.

The Honourable Sir Jeremy Raisman: I deplore the Honourable Member's use of that term.

Mr. T. S. Avinashilingam Chettiar: I very much deplore all this corruption and I also deplore very much the complacency with which the Finance Member is speaking without checking all this.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): Don't call him poor; call him unfortunate.

Mr. T. S. Avinashilingam Chettiar: Sir, I was talking about contracts. People who get contracts give a certain percentage to the officers concerned, and I wanted to tell you how this committee can help. The committee can prescribe standards; they can also lay down schedule rates. If the Government is prepared to accept these standards I believe that things can be done cheaper.

I have been told about those two Committees which may serve the purpose. My Honourable friend, Sir Frederick James, came with the sort of attitude which says: 'Did not tell you before. It would have been nicer if you had accepted my advice then.' Such advice is not useful these days. Let us know whether he will support us now. I have been in the Finance Committee of this Assembly for many years, but what my experience has been is this. An infinitesimal portion of the amount spent has come before us. The supplementary grants come before us but they make a very infinitesimal portion of the total Budget. As such you cannot say that a Finance Committee can control or guide or suggest retrenchments on a Budget which covers a hundred times as much as that which comes before the Committee. About the Public Accounts Committee, a friend remarked that it is a *post mortem* examination and there is no use in it. Mostly it is about things that have gone and the interest is not much.

So, both these Committees do not serve the purpose which was wanted to be served by this motion, and I think, especially in view of the fact that the *bona fides* of this Government have been questioned, a large majority of the people of this country believe that India does not get a fair deal from it. It is up to them—if the Honourable the Finance Member will hear me and it is also in his own interest—to accept a Committee, like this. For instance, he has been saying that India has had a good deal and that India has not been treated badly. Now he will have elected members with him who will say it only if he can prove to them that things done in India have been in the best interests of the country.

The Honourable Sir Jeremy Raisman: Would you ever use those words?

Mr. T. S. Avinashilingam Chettiar: If you are so. If you are deserving I would.

I have worked somewhat closely with Sir James Grigg but I have not had the pleasure of working with Sir Jeremy. Sir James Grigg may not be a paragon of good managers and he was not many other things. But one thing I think he was. He was fairly strict in his own job, i.e., Finance. I hope, Sir, that Sir Jeremy is the same, but I have no evidence, but if he shirks a motion like this it will be a sorry thing. It will only go to prove that the Government is not prepared to face any scrutiny and especially the scrutiny of people who are the representatives of the country, and especially at a time when the taxpayer's capacity in India is reaching breaking point. At this time, Sir, you want a set of people who can say and say boldly that things done are not really very bad, it will be really in the interests of Government to accept this motion. I hope, Sir, they will have the good sense to do it.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Sir, I support this cut motion. This cut motion aims at these points: first, the appointment of a Committee for investigating or scrutinizing the expenditure and the second to suggest the methods for economy. Now, in other words, this Committee means this. The right principle of economy is and should be that one should cut his coat according to the cloth. This Committee is being asked for to see if the Departments of the Government of India are cutting their coats according to the cloth or they are using more cloth which is an unnecessary waste of that cloth. We have also to see how far they have done up to now and how far they wish to do it now on the pretext of war or the so-called exigencies of the war.

The Honourable Sir Jeremy Raisman: Of this so-called war?

Mr. Lalchand Navalrai: Yes. I have always put questions to know whether the war is for India or for the British and Americans and other Allies. What I mean to say is this: India has been helping you and India is giving you men and material and there are people who are helping you, and it is those people—the Members of this House—who are asking you to render accounts of your expenditure to them, which you are not doing. And it is, therefore, that this Committee is being asked for to be appointed. If the Honourable the Finance Member had taken us into confidence and associated at least some Members of this House for the purposes of getting all expenses which are going on now, then there would probably have been no necessity for asking for this Committee. Whenever we put questions or ask for anything relating to the war, i.e., how much money is being spent on war and how it is proposed to make adjustments, we get no reply from the Finance Member. My Honourable friend will remember that I not only put these questions at the question time but I put all these questions when I spoke on the Budget: and I put a direct question to him as to how much money has been spent by him on this war on behalf of India and how much for Britain. I put a clear question to him, but I had no reply from him either at the time of questions or in reply to the Budget speech that I made. Therefore, I have every justification to say that this Committee is very necessary. The Honourable the Finance Member wants to keep things in closed cover till the war is over. We do not know when the war will be over. We do not say anything more than ask you just to tell us something about the matters I have just mentioned, so that we may be in a position to inform our constituencies and to the public at large, that you are doing such and such things and that you are not wasting our money. But you do not want to give any accounts of your expenditure. Therefore, I say that this Committee is absolutely necessary.

Now, Sir, besides that I think and I know it as a fact that there are Departments where there is a lot of waste. For instance, the Supply Department, it was introduced just when the war came on and I do not blame the present

[Mr. Lalchand Navalrai.]

Honourable Member in charge of that Department, because the Supply Department began before this Honourable gentleman took charge of that Department. I do not know and I would rather much like to know if the Honourable the Supply Member understands his men or they are understanding him. That is the question, which I hope the Honourable Member will answer when he gets up for reply.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Both, I understand them and they understand me.

Mr. Lalchand Navalrai: I do not think that is so. If you have understood them properly then how these defalcations are taking place under your very nose? Contracts are being given only to a few favoured contractors. If you had understood these men working under you, then nothing of the kind would have happened. Of course, there are not many Sindhis, who are difficult for the Honourable Member to understand. There are others from outside Sind, but you have not understood any of them.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: None of them is from Sind.

Mr. Lalchand Navalrai: I hope, Sir, that the Honourable Member will agree to this Committee being appointed. The Department which is considered to be more expensive and more abused in this matter will then understand properly and see how much money is spent or not and how much money is wasted.

So far as the Army Department is concerned, there also, Sir, I do not know but I am told, the Government has actually launched certain prosecutions against such persons as have been found guilty of defalcation. We know nothing as to what investigations you have been making hitherto or what further investigations you propose to make in regard to this matter. I submit that this is a wrong way of doing things. I want only those men to suffer who are looting public money and wasting it. Therefore, I suggest that for the purpose of making further enquiries into the matter a Committee of the kind asked for in the cut motion should be appointed.

Sir, it is said in this House and my friend, Sir Frederick James, raised this question that this will be a Retrenchment Committee or a Planning Committee or what? I say why go into all these technicalities. He knows what we want. The whole House knows, the Honourable Member himself many a time has been proposing, has been planning so many things of that nature, to save money and to see that money is not wasted. Do not fight with words. We want an *ad hoc* committee of the Legislature to go into the question of the expenditure, the waste that has been committed and to guard against it. We do not say that that waste which has been committed should be reimbursed by the Finance Member. I will say once the money is lost, it is lost; so much money of India has already been lost. It may be said that today you have got two committees, and why should we want this *ad hoc* committee. Those committees have not been doing as much as this proposed committee will do. Their powers are limited. They are hedged round with several restrictions and restraints. I have been for some years a member of the Standing Finance Committee, and I know what the procedure is. The procedure is that certain items are brought before the Standing Finance Committee—not all but some items only for consideration. We are asked to go into those items and sometimes we put questions. Witnesses also come up and we examine them. But what happens after all this? We are not being taken into confidence there in regard to all matters. I think it will be best if I give you the opinion of a high official to throw light on what the functions of the Standing Finance Committee are and whether they are sufficient enough that no *ad hoc* committee need be appointed. In his speech in this House on the 24th February, 1942, our Leader, Dr. P. N. Banerjea, said:

"The Standing Finance Committee bears a dignified name but it possesses no real power. That is what everybody's opinion should be. Its functions are extremely limited. It is merely an advisory committee and its recommendations need not be accepted by the Finance

Department or the Government of India. It does not deal with revenue or taxation and it confines itself to expenditure, but even there does not cover the whole field of expenditure. Its function is limited to a consideration of a few items of fresh expenditure."

Even now I do not think all the fresh expenditure of the war or of the departments on account of the war is placed before the Committee. Therefore it is that an *ad hoc* committee is necessary:

"Therefore, it is clear that this Committee is not a very useful body.

I should like to place before the House the observations which were made by Sir Malcolm Hailey, now Lord Hailey, who, as Finance Member in 1922, introduced a motion. . . ."

The Honourable Sir Jeremy Raisman: Is the Honourable Member in order in reading long extracts from previous debates in this House?

Mr. Lalchand Navalrai: I think the Honourable Member should have patience to hear me. I am not long.

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order. I am afraid that is a long quotation that the Honourable Member is making. He can give the substance of it in his own words.

Mr. Lalchand Navalrai: What I wanted to place before the House was what actually Lord Hailey had said about the functions of this Committee and I think I must read that, and it is this.

Mr. Deputy President (Mr. Akhil Chandra Datta): You can leave out the other portion of Dr. Banerjea's speech.

Mr. Lalchand Navalrai:

"He said that this Standing Finance Committee would perform three main functions. In the first place, it would examine all the papers relating to the budget estimates. . . ."

As regards the second function, he said:

"The second function will be thus, that in the course of the year we shall probably have to place before the House demands in excess of the budget for the purpose of supplementary vote. . . ."

There remains a third function. I should like to be arranged that the Committee should in the course of the year deal with any schemes for fresh expenditure which are put forward by the departments. (Not all.) I would limit these to the major schemes, schemes which will be sufficiently large to have any influence on the budget. . . ."

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Mr. Lalchand Navalrai: I submit that it was made clear to the House even then that all matters were not to be placed before the Committee, but only a few matters, at the sweet will of the Finance Member, would be placed before the Committee, and those functions have also been dragged down now. I say that the Standing Finance Committee cannot take the place of this *ad hoc* committee that we are asking for. There should be an *ad hoc* committee to go into all these matters and it is very necessary.

Then, Sir, the other day. . . .

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): You must cut your throat according to the sharpness of the razor.

Mr. Lalchand Navalrai: Alright, I cut my coat according to the length of the cloth.

Sir Vithal N. Chandavarkar (Bombay Millowners' Association: Indian Commerce): I wholeheartedly support the principle underlying this cut motion, but at the same time I would like to make my position clear. If I am supporting the principle underlying this motion I am not doing so because I want an investigation into the working of the departments. I make no aspersions on the working of the departments. I would like to take this opportunity of placing before the Honourable the Finance Member certain considerations which have come uppermost in my mind while I was sitting here listening to the debate.

You all remember what happened after the last war. Every Government, every local authority, which had great responsibilities, went on incurring vast expenditure with the result that when the slump came in 1924-25 every Government, every local authority, the larger municipalities, had to appoint retrenchment committees and had to introduce drastic cuts in the expenditure. The

[Sir Vithal N. Chandavarkar.]

consequence was that a great deal of injustice was done to employees and activities which were absolutely necessary in the interests of the nation had to be curtailed. I want to avoid such a catastrophe now. My submission to the Honourable the Finance Member is this. I entirely agree that you cannot have a very close scrutiny when you are running a war, but at the same time I am sure he will agree with me that it is all the more necessary that there should be some machinery for scrutinising expenditure. I do not approve of the idea that the qualification of the members of the committee should be membership of this Legislature. Government is entitled to choose people who in its opinion are likely to be of great help to Government in scrutinising expenditure, but at the same time the appointment of such a committee is eminently desirable. Otherwise, what would happen after the war is over? If there is no proper scrutiny, there may be a great deal of expenditure, waste of money, and in order to wipe that off Government may be called upon and compelled to effect retrenchment of a very drastic nature which may upset the machinery of the administration. I do not agree with Sir Cowasjee Jehangir that this committee should be mainly concerned with the question of allocation of expenditure as between His Majesty's Government and Government of India. I agree that there is a danger in that. If this committee goes into the principle of allocations, His Majesty's Government might try to reopen the whole settlement and we might be adversely affected. But I do not think there can be any objection to the setting up of a machinery for scrutinising whether the allocations are made according to the agreement between His Majesty's Government and the Government of India. When I was some years ago connected with a comparatively small organisation with a budget running to 3½ crores a year, I was a member of the Finance Committee of that organisation. We were just then suffering from the aftermath of huge expenditure on development schemes and we were just trying to make out a workable scheme for introducing retrenchment on the basis of the very valuable report made by Sir M. Visweswrayya. We found that a mere periodic committee of inquiry leads you nowhere and being very much interested in that question—at that time I had lot of spare time and I was reading literature on the general question of retrenchment—I came across a certain maxim which has stuck into my head all the time and that was that retrenchment to be effective must be continuous and not spasmodic. It is from this point of view I place my views before the Finance Member. I am not asking for an investigation into what has happened. All that I submit is that the war has gone on for four years and if the Finance Member accepts the principle underlying this motion and then chooses his own machinery, I do not think any harm will be done. Some Members said—what about the powers of the committee? I am prepared to concede that the ultimate responsibility is with the Government of India. Such a committee cannot exercise any power except that of making recommendations. It is possible that owing to war conditions the Government of India may not be able to place all items of expenditure before such a committee. In that case it is open to the Government to say that in public interests they cannot place certain items of expenditure before this committee and make a report accordingly to the House. It is possible that the Government of India may not be able to accept the recommendations of the committee. In that case, it is open to the Government of India to certify to that effect and make a report accordingly. I do not think the acceptance of the principle underlying this motion will make the Government uncomfortable or obstruct the war effort in any way. It is from this point of view that I support the principle underlying this cut motion, although I do not agree with the Honourable Members who have said that it should consist only of elected Members of the Legislature.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions; Muhammadan Rural): There has been some difference of opinion about the name which should be given to this committee. Otherwise, I find that on the principle of scrutinising and finding out the defect of the budget there is no objection in this

House. There might be some kind of objection to the personnel of this committee or about other things but about the principle of scrutinising I do not think that there is much difference in this House. Our friend, Sir F. E. James, objects to the word 'scrutiny'. He says that it is tantamount to saying that there must be retrenchment. That is not the real object of this motion. If he is prepared to accept the principle of the motion, as suggested by the last speaker, we might add the word 'estimate'. Perhaps then he will have no objection. You may call it a scrutinising committee or an estimate committee. By whichever name you call it, the principle remains that there ought to be some kind of scrutiny of the vast expenditure of the Government not only on war but on other things. There is a Persian saying which says:

"Har ki āmad imārate nau sākht."

It means: whoever came he put up new building or begins to build according to his own taste. The Moghuls built Delhi according to their own taste. The English built New Delhi according to their own taste. So, is the case with every member of the Government of India who comes and takes charge of the Department in his own hands. We find that since the new Executive Council came into being in 1942 the Government Departments have been distributed from one head to another. Departments have been passing from hand to hand, there have been reshufflings. When a new comer comes, he makes appointments according to his own liking. So, there are bound to be some sort of additions and subtractions. We find that the new Members make appointments according to their own taste. It is impossible for one member of the Government of India to differ from another when he wants to expand his own Department. These two are the matters in respect of which we must find out facts and the necessity for expansions and their exigencies of the moment. We know and the House cannot deny that good government exists only on the foundation of sound public finance and constant scrutiny is the basis of sound finance. If that is so, then why should there be any objection on the part of the Government to accept this motion? If the only objection is that the members of this or the other Legislature should not be introduced into this committee, then the scrutiny will not be considered to be a scrutiny by the representatives of the public of India. If foreigners are co-opted, it will not be called a committee of the House. It will be called a committee of the Government of India. The Government ought to know that under the Government of India Act this House represents the public of India in every sense and in all senses. My friends have pointed out that the expenditure has gone up from 80 crores to 300 crores. This colossal sum requires that there should be some sort of scrutiny or investigation whether it is made under the aegis of the Executive Council alone or under the aegis of the two Houses of the present Legislature. It is for the Government to decide this. What I submit is that the principle of the scrutiny has been established by speeches all over the House and if the Government do not accept this motion, then it will be regarded that the Government do not really want that this amount should be checked. The difference between the Public Accounts Committee and the Standing Finance Committee has been pointed out by my friend, Mr. Neogy, very elaborately. Whether the Government of India will accept this cut motion and give effect to it remains in their own hands but the fact remains that the budgetary system of the present Government of India requires that there ought to be some sort of investigation and some sort of scrutiny. With these remarks I support the motion.

Mr. Ananga Mohan Dam (Surma Valley cum Shillong; Non-Muhammadan): Sir, I support the motion moved by my friend, Sir Yamin Khan. The Resolution is so simple and reasonable that any Government which wants the confidence of the people should gladly accept it at once. Sir, taxation is going up higher and higher, and we see that the net tax revenue for 1944-45 is 231 crores and odd whereas the total net tax revenue in 1938-39 was 68.6 crores. Sir, the people who pay so much for the conduct of the Government should be given an opportunity to see to it that no wastage is done. The Honourable the Finance Member has gone to tax the poor man's betelnut

[Mr. Ananga Mohan Dam.]

in order to find out only 2 crores of rupees. If such a committee as is contemplated under this cut motion had been formed to effect economy in the expenditure before, they would have found out five times 2 crores of rupees for strengthening the hands of Honourable the Finance Member. So, Sir, it is quite reasonable and proper for the Government of India to set up a committee as demanded by my friends opposite to scrutinise the expenditure of the Government of India and to suggest where economy could be effected. I do not want to go into the technicalities which have been indulged in by my friends, Sir Cowasjee Jehangir and Sir Frederick James. The scope of the committee is a very limited one and by appointing it the Government can at once have the confidence of the people from whom they want taxation every year. I do not want to go into the details of the Honourable the Finance Member's speech but there are so many crores of rupees which can easily be found by reducing the expenditure in the Supply Department, the Food Department and several other Departments referred to by my Honourable friends before me. With these few words I support the cut motion moved by my friend Sir Muhammad Yamin Khan.

Mr. Jamnadas M. Mehta: Sir, I rise to support this cut motion because it is a motion on merits, it is not a political stunt-mongering. I wish that Government will readily accept it; it is necessary. Yesterday the Honourable Sir Ramaswami Mudaliar very rightly said that part of the bitterness in this House is due to the frustration of our hopes and our views. It is for Government even under this Act of 1935 and 1919 to do whatever they can do within the constitution which will not lead to frustration. Any attempt on their part to become obstinate leads to more frustration and more irresponsibility. When I know that I have nothing to do here except to shout . . .

The Honourable Sir Jeremy Raisman: You shout.

Mr. Jamnadas M. Mehta: And when I know that my shout will fall on deaf ears, I tend to become irresponsible and to shout louder. But if Government does not put lead into their ears—the Honourable the Finance Member's ears have got absolute lead inside,—things would be different. No sound of reason, no appeal of justice, no cry of distress from 400 millions of people, ever reaches that lead-laden ear. Therefore, you find irresponsibility. Even if under this Act you had taken care to listen to the voice of reason, you would not have, like Cromwell, been thrown to the winds in your old age.

Sir Cowasjee Jehangir: I think the Honourable Member is referring to Cardinal Wolsey.

Mr. Jamnadas M. Mehta: Thanks for your correction. It was the Cardinal, he was addressing Cromwell. Oh, Cromwell, Oh, Cromwell, etc. So, if you had served the people of India more than the others, you would not have been thrown to the winds of censure motions as you have been. Therefore, I request in all humility that this motion can legitimately be accepted by a Government which is conscious of its strength; it has nothing to fear and it has everything to gain by the scrutiny which is made of its expenditure.

The main argument is that there ought to be economy. Is it suggested that there should be no economy? But do you know that there is some kind of penny-wise and pound-foolish economy? I find economy practised in a way which will surprise you. The boy who comes to deliver the Assembly papers and cards to me brings a pencil with him to sign my name. One day I saw that the poor fellow was unwilling to show me the pencil. I took it from him and found that it was this small bit of a pencil. This is the economy. I have kept it in my pocket against this motion. I gave him a full pencil in return for this and Government owe me three-fourths of its price. Next day that whole pencil was taken from him and another small piece given. Let this small piece of a pencil remain in the Museum of Antiquity or of Modernity, whichever you like as a sample of the retrenchment methods of the Government. It is not worth one anna; it is worth a thousand rupees. I will ever keep it as a memento from a chaprassi of the Assembly whom the Government of India gave this pencil as a measure of economy.

But when you come to examine the bigger things, as we say in Bombay, the doors are kept open and the chinks are closed. This is the chink that you close and the doors are open by which God knows what waste is going on. Apart from the increase of other expenditure of the pre-war years, the army expenditure has gone up from 36 crores to 276 crores. If you watch the progress of the rate, it is increasing year after year almost by geometrical progression. I do think that this House, whatever little opportunities it may have, must feel a sense of responsibility to the tax-payer on whose behalf we rightly claim to speak that this expenditure is necessary and can be justified. I know the difficulty of pursuing expenditure. I know that we will find it extraordinarily difficult to test whether a particular expenditure was necessary or not. The Honourable the Finance Member tried to induce my Honourable friend, Mr. Neogy, to pursue his inquiry into the munition factory, but Mr. Neogy refused to be trapped. I am willing to be trapped. If Mr. Neogy had agreed he would have stated that it is extraordinarily difficult to test, but still there is such a thing as a public scrutiny. And I may tell my Honourable friend, the Finance Member, that what with lease-lend and what with reciprocal aid and what with ordinary expenditure and the effect of rise in prices, and the cost of what are called war measures,—all these, I can assure him, are a perfect maze to follow. His speeches, year after year, do not show any consistent line on which I can test his figures. This year he has given up the attempt himself and he has accepted the Commander-in-Chief's authority as the final word. It seems clear that he himself is unable to follow. I have a very high regard for the Commander-in-Chief, and I hope he has a high regard for this House and for the taxpayer. Then for the last two years, we have got the additional figure, "the capital expenditure", which is very nearly approaching the pre-war revenue expenditure. Is that not a picture which should at least put us on our guard? I do not characterise any expenditure as absolutely unnecessary nor do I say that the Departments are full of corruption; although I do not say these things, yet a responsible Government would not hesitate to accept fears and misgivings voiced in the House. I may agree that the Honourable Members of the House being non-technical some outside assistance may be necessary. I do not mind if some technical experts are associated, but we who sit here from day to day have got a grip which even experts will not have. The people who follow the fortunes of their country in the matter of taxation from day to day, they have in spite of their being laymen got a grip on the public pulse on the one hand and on the public purse on the other and they are rightly qualified to judge of the wisdom or otherwise of any expenditure. I am quite clear that if the scope of the committee was as wide as I think it should be, such questions can be gone into as to why the price rose so suddenly and steeply, whether the Government did not set the ball rolling by paying fancy prices to contractors and even to millowners—all these things can legitimately come under review and the Government will lose nothing, if they are right, they will be strengthened by the result of this scrutiny; if they are wrong they will get an opportunity to improve and everybody will be satisfied that the taxpayers' money was being properly used. Sir, as this is not a political cut motion, but a pure motion on merit, the Government should have no hesitation in accepting the same.

Sir Syed Raza Ali: Sir, I rise to say a few words on the merits of this motion which is before the House. The chief merit of the motion, if I may say so, is that it does not seek to tread on anybody's toes. It does not affect anybody's rights in this country.

Mr. T. T. Krishnamachari (Tanjore *cum* Trichinopoly: Non-Muhammadan Rural): A large assumption. How do you know that?

Sir Syed Raza Ali: I very much hope so. That is all I can say. Along with that, I would very briefly invite the attention of this House to what took place during and after the last war. We know that in the years 1914-1918, though for a part of the time a very vigilant Finance Minister presided over his Department, yet the finances of the country unfortunately were not very carefully looked after. We also know as to what share of the burden fell on the shoulders of India in connection with the Mesopotamian campaign. That

[Sir Syed Raza Ali.]

campaign became a perfect riddle and our finances were so heavily involved that an Indian who was an expert in financial matters had to go through the whole accounts which had to be settled somehow or other. Possibly some of the Honourable Members of this House perhaps know as to how the final settlement between England and India was arrived at. There was a feeling at the time and there is a feeling among a section of the people, I mean those who took an interest in that affair, even now that the settlement finally proved detrimental to the interests of India. The result of all these muddles was that a very strong Committee presided over by Lord Inchcape and known as the Inchcape Committee was appointed. It took a fairly long time to go through the whole question and it produced a very drastic report. Indeed that, as Honourable Members would remember, was after the war. Now, Sir, I put it to the Honourable the Finance Member and the Government of India what do they propose to do this time. Do they propose to learn a lesson from what happened in the years 1914-1918 or sleep over this affair till the war is over and then leave it to the Government of India and the British authorities in England to take drastic steps and reduce our normal pre-war expenditure by about 30 to 40 per cent? I am sure nobody desires to follow that course. If that is so, I am quite sure and I have no doubt in my mind that it is up to the Government of India to look into this matter and not allow matters to drift into a hopeless condition.

As has been mentioned there are two different Committees appointed by this House that look into the financial affairs. The first is the Standing Finance Committee and the second is the Public Accounts Committee. Now, Sir, the Standing Finance Committee, though charged with very important functions has hardly any time to go into the Budget side, the debit and the credit side of our Budget in a normal year. Now, Sir, our Budget figures have mounted to colossal figures. It would not be right to expect the Finance Committee, which apart from other things has very little real power, to be charged with this additional burden. The other Committee is the Public Accounts Committee. That Committee, as one of the Honourable Members pointed out, performs only *post mortem* examination, which is useful in certain ways, but it is powerless to influence or settle broad policy of the Government of India. If the Government of India is really anxious not to let India's expenditure go up unnecessarily, the only means by which the object could be achieved is to appoint a committee on the lines proposed in the cut motion before the House. Sir, the appointment of this committee would be a very useful thing and would benefit every section of the community not excluding even the Government of India itself.

The impression is, and all newspapers readers know as to how a very large number of posts has been added in every Department and the general belief is that in some of the Departments about 25 per cent. of men have not got sufficient work even though, during these days of war, no enthusiastic employee of the Government of India is supposed to return home before seven o'clock in the evening. What they do from ten o'clock in the morning till four o'clock in the afternoon is a mystery. There is always sufficient work in the evening so far as the general impression goes. But if there is not sufficient work in the morning how do they engage themselves from 10 A.M. to 4 P.M.? The point really is this. It may be that this general impression is not wholly and entirely correct; it may be that it is exaggerated, but in the absence of facts and figures it is not open to the Government of India to say that the notion that generally prevails on this subject is exaggerated. As I said, the recommendation contained in the motion is so reasonable that one hardly realises on what ground it can possibly be open to the Government of India to oppose a motion of this character.—Government which is always shouting for co-operation from the Benarases which face them in this House. Here is a sincere and genuine offer of co-operation with Government,—within limits of course,—and an olive branch is held out to the Government of India. Let us see if

they are now prepared to go half-way and come to terms with those whose co-operation they say they are always so solicitous to seek.

Sir, I support the motion.

Mr. Sami Vencatachalam Chetty (Madras: Indian Commerce): Sir, I feel no hesitation whatsoever in supporting this motion. In fact I cannot imagine how any reasonable man can possibly have any objection to accepting a motion of this sort unless he feels that there is something very much rotten in the State of Denmark to be concealed from the scrutinising eyes of the Members of this Legislature. The Honourable the Finance Member who is very meticulous about the manner in which our money is being spent, having regard to the difficulties of realising these moneys from the poor taxpayers of this country, ought to welcome a step of this kind, unless he felt that the members of the committee who would be elected by this Legislative Assembly would be far too critical and far too fault-finding. I do not think anybody as a member of the committee is going to be so unreasonable as to find fault with the actual policy of allocation of military expenditure between India and the United Nations. So far as the work of this committee is concerned, the terms of reference are quite clear. There need be no fear whatsoever in regard to the possibility of members of the committee entrenching upon the close and secret preserves of allocation of expenditure in regard to the defence services. So, the fears that might have been entertained by my Honourable friend, Sir Narayan Chandavarkar, are, I think, based upon an illusion; and I understand that so far as the parties here are concerned they are in favour of this motion excepting the members of the European Group who seem to base their case on the ground that because when they moved for an estimates committee with regard to war expenditure or the Finance Department the other parties objected, therefore they will now turn round and object to this motion. I am rather surprised that that was the kind of reason that was advanced by my Honourable friend, Sir Frederick James. Our war expenditure is mounting up far too high; it is going up in astronomical proportions; and it is necessary for us to know how these moneys are being spent and in what ways it is possible to suggest ways of retrenchment and cutting down expenditure. I am sure the knowledge and advice of Members of this House would be of great assistance to the Finance Member in putting down expenditure and probably in exposing some of the sources by which corruption has come in. I am sure it is not the case of the Finance Member that there are no items of wasteful expenditure and no chances of corruption. On the other hand he must be fully aware of the possibilities of corruption and of wasteful expenditure during these hectic times of war. And after all the formation of the committee need not be feared by the Finance Member because it is not going to affect what has already been spent. It will only show how badly and wastefully the money has been spent and how this bad and wasteful expenditure can be avoided and to keep on a concurrent audit as it were. In such a case it is a matter of surprise that Government should take up any attitude other than that of accepting and supporting this motion. Moreover, as has been very pertinently pointed out by my Honourable friend, Mr. Jamnadas Mehta, it is one of the chances by which the Executive Council, though it might not be responsible to the Legislative Assembly, might at least be responsive. It does not affect any of their fundamental theories of administration or of rule or of Indianisation or any of such more important problems. It only deals with the manner in which the moneys that are allocated for the war are being spent. I see absolutely no ground on which any reasonable Member of the Assembly or of Government could possibly take objection to a proposal of this kind. Sir, I support the motion.

Mr. S. C. Chatterji (Nominated Non-Official): Sir, I rise to oppose the appointment of this committee because I doubt whether this committee would serve any useful purpose. I am not convinced by the speeches that I have heard from the Mover and his supporters that it will serve any useful purpose. I, however, wish to oppose this motion for another special reason. This motion seeks to make an invidious distinction between the elected Members of

[Mr. S. C. Chatterji.]

this House and the nominated non-official Members. Sir, I have myself been an elected Member of the Legislature in my own province; and but for the fact that the Government of the time in that province thought in their wisdom, unwisely to my mind, that they would be serving the interests of the country best by quitting office, I should not have been here at all. Since, however, I happen to be here. . . .

Mr. Muhammad Azhar Ali: Bad luck.

Mr. S. C. Chatterji: . . . I should like to point out to Members sitting opposite that I am here as the representative and the solitary representative, nominated though I might be, of seven-and-a-quarter million nationals of this country. (Interruptions.)

An Honourable Member: Who are they?

Mr. S. C. Chatterji: Sir, the Mover of this motion yesterday, while speaking on another cut motion made certain observations, and the special reason for which I have stood up to speak is to enter a protest against those observations. Incidentally, Sir, I might inform Members of the House, who may not be aware of the fact, that the disgruntled Knight from Meerut seems to have forgotten his own genesis. . . .

An Honourable Member: How is it? Order, order.

Mr. S. C. Chatterji: . . . as he has served his probation as a diligent 'chaprassi' not only in this House but in the other House of the Legislature also.

(At this stage there were many interruptions.)

An Honourable Member: You are mistaken.

Sir Muhammad Yamin Khan: On a point of explanation, Sir. (Interruptions.) He should withdraw his silly remarks; he should withdraw his absurd remarks. It is on record that I voted against the Government several times.

Mr. S. C. Chatterji: Sir, I have very great respect for the Deputy Leader of the Muslim League Party. Also, I do not for a moment question the statesmanship and even the patriotism of the great Leader of the Muslim League Party and the great Leader of the Mussalmans of India. I have not had the pleasure of hearing him in this House, but I have heard him on various occasions. (Interruptions.)

Mr. Deputy President (Mr. Akhil Chandra Datta): Order, order.

(Mr. S. C. Chatterji was standing in his seat.)

Sit down please. You should be just to the point.

An Honourable Member: He is a nominated Member.

Mr. S. C. Chatterji: Sir, I was referring to the invidious distinction that the cut motion draws between the two types of Members of this House. All the Members have equal privileges. . . .

Mr. Deputy President (Mr. Akhil Chandra Datta): You have said that already; you need not repeat that again.

Mr. S. C. Chatterji: I would add that the Honourable the Mover of this motion owes it to me and to some Members of this House who represent in this House interests which are not represented by elected Members—I mean, for example, Members representing the Scheduled Castes.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Dr. Ambedkar is there.

Mr. S. C. Chatterji: I think the Mover of this motion,—who I understand has had much longer parliamentary experience than I have so far had,—if he has any sense of decency, I hope he will make amends for the uncalled for observations that he made yesterday.

Sir Muhammad Yamin Khan: You have justified that you deserve more than that.

Sardar Mangal Singh: Has he spoken for the Government; is this the Government point of view?

Mr. Deputy President (Mr. Akhil Chandra Datta): Sir Henry Richardson.

An Honourable Member: Another nominated Member!

Sir Henry Richardson (Nominated Non-Official): Yes, I am a nominated Member and to some extent I sympathize and agree with my Honourable friend who spoke just now.

Since Sir Frederick James, my colleague, spoke on this motion this morning and explained the position of my Group, several speakers have mentioned certain remarks which I made relating to this question in my speech during the General Budget discussion. They have suggested that the terms mentioned in the cut motion in fact provide the machinery for my proposals. I think Mr. Neogy made that statement. As a matter of fact, Sir, they do nothing of the sort (Interruptions.) and just as Sir Muhammad Yamin Khan some years ago found another machine unsuitable at that time and voted against it, so do we today consider that his machine is unsuitable at this time.

Nawabzada Muhammad Liaquat Ali Khan: What is your machine?

Sir Henry Richardson: My suggestion was for a more continuous, purposeful, independent and expert check on waste of all kinds and obsolescence particularly in respect of those projects and Departments of Government which are purely war time creations. I ask, can a committee of this House possibly carry out the onerous and exacting task which these words imply? Would Sir Muhammad Yamin Khan be prepared to sit continuously. . . .

Sir Muhammad Yamin Khan: Yes, certainly; if I accept membership I will do so.

Sir Henry Richardson: And other members?

Sir Muhammad Yamin Khan: If they accept membership, they will also do that.

Sir Henry Richardson: I doubt it, Sir. Would this House be able to provide all the experts which would be necessary to cover the vast field of war time expenditure in which the Government is now involved?

Mr. Muhammad Nauman: Government will provide experts.

Sir Henry Richardson: You ask for a committee of this House. A committee of this House would lose itself in the intricacies of Government finance, and if I were a dishonest Finance Member, I would accept this proposal knowing full well that it would be quite easy to lead that committee up the garden path. (Interruptions.) Honourable Members are deceiving themselves when they think that the objects they have in view could be achieved by the means they suggest. We are aware of existing means of check and we know that they do not provide the solution which is sought. I refer to those *post mortem* committees which we have heard so much of and other means. But we are also aware of checks which the Finance Member himself has instituted in the various big war time spending Departments and many of us have reason to know that the strictness of those controls have often been so severe as to hold up and impede the war effort. Some of those Financial Advisers that have been put into the positions of responsibility, especially in the early days when their control was very much stricter than it is today, actually did involve work being done over and over again because of the control that was exercised at that time. But we are approaching the time when some of these Departments are declining in their activities. One example I will quote is the Civil Defence Department. What is happening to the very large staff of that Department? What is happening to the stores? What is happening to the equipment? Now the scope of an enquiry into this one subject alone would probably necessitate touring in the provinces, and enquiries covering a very large area. A Committee of this House could not possibly undertake all that would be necessary for a thorough-going investigation which alone can hope to achieve check on vast wastes and the disposal of surpluses to avoid obsolescence. We still think that an Estimates Committee on the lines suggested some years ago might be found to provide assistance but naturally I agree with what Sir Vithal Chandavarkar said just now that ultimately Government themselves must decide on the best means of achieving what this House has in mind, and I am sure Government must agree to do so in principle.

[Sir Henry Richardson.]

Sir, waste under the guise of war is one of the easiest forms of sanction to unlimited expenditure. It is to stop this that the House considers Government should try and formulate some form of continuous and expert check such as I have suggested.

(For a while no Honourable Member stood up. Then the Honourable Sir Jeremy Raisman rose in his seat but gave way to Mr. N. M. Joshi.)

Mr. N. M. Joshi: I will speak after you.

Mr. Deputy President (Mr. Akhil Chandra Datta): Someone must get up.

Nawabzada Muhammad Liaquat Ali Khan: Sir, as nobody is getting up to speak I propose that you now put the motion to the vote.

The Honourable Sir Jeremy Raisman: I have always understood that in dealing with a cut motion, Government has the right to hear what the House has to say and then reply before the motion was put to the division. I have never understood that the Government Member was expected to speak at an early stage in a motion of this kind when there would be other speakers.

Well, I do not know what other speakers propose to speak after me but I can deal with the debate as it has proceeded up till now.

I must say that I have listened with the closest attention to all the speakers today because I was very anxious to find out exactly what they had in mind. I wanted to know in some detail what was their concrete and precise conception of what should be done, what kind of Committee they would like and how that Committee should operate. I must admit that I found it very difficult indeed to fill in the picture. I was not merely being ironical when I asked my Honourable friend, Mr. Neogy, to go on when he was suggesting—supposing Sir Muhammad Yamin Khan went to a munitions factory: then he went off at a tangent and he said they would shoot him. In my desire to hear what exactly was contemplated, I offered to guarantee that my Honourable friend, Sir Yamin Khan, would be admitted and welcomed and I did honestly want to know exactly what the Honourable Member had in mind, what useful form of inspection or scrutiny could be carried out by Honourable Members of this House, even if it were possible and convenient for them to roam freely over the whole field.

The first difficulty, as the Honourable the Mover himself realised is that we have two Committees of the House who already deal with finance. There is the Standing Finance Committee and there is the Public Accounts Committee. But he said the Public Accounts Committee makes a *post mortem* investigation, and so apparently that was not what he had in mind, although many subsequent speakers have suggested that the function of this Committee should be to conduct, at any rate, retrospective investigations into what was happening. But it was not quite clear how if a Committee did that its function could be distinguished from that of the Public Accounts Committee.

Then of course there is the Standing Finance Committee, which is intended to be prospective, so to speak, rather than retrospective and there his difficulty was that the Standing Finance Committee apparently is so busy that it does not have time to give sufficient attention to the material which is placed before it.

Sir Muhammad Yamin Khan: You do not allow them sufficient time.

The Honourable Sir Jeremy Raisman: That is because I try to arrange the meetings during the Sessions and do not call them up at other times?

Sir Muhammad Yamin Khan: That is wrong.

The Honourable Sir Jeremy Raisman: That is the objection.

Do I understand from my Honourable friend that if the Standing Finance Committee had more time to carry out its functions that that would largely meet his objections? I believe not!

Sir Muhammad Yamin Khan: That would have been better than it is now, but it would not serve the present object.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

The Honourable Sir Jeremy Raisman: Well, I shall come back in a little while to the question of these two Committees. I feel that several points have been raised in the course of the debate which call for some reply from me before I come back to the actual problem which is presented to me by a motion of this kind. I want particularly to deal with some of the remarks made by Sardar Mangal Singh, because he seemed to suspect that I was deliberately keeping certain information from him. It is true that when I replied to the general debate on the Budget the other day, there were many points which I found it impossible to cover although I had material before me and had intended to reply to them; and the questions which he asked were among those points. He wished to know, as far as I remember, what were the figures of war expenditure by His Majesty's Government in India during the year subsequent to 1942-1943 because in years up to and including that the figure has been regularly mentioned in the Budget speech. Well, in order to disabuse him that there is any attempt of suppression of facts, I will give him the figures which I had before me at that time but could not bring in to my reply.

The estimated figure for the year 1943-44 was Rs. 385.2 crores as compared with a total Indian expenditure of Rs. 300.9 crores.

The estimated figure for the year 1944-45 is Rs. 443 crores as compared with the Indian estimated expenditure of Rs. 301.2 crores. I have brought those figures in merely

Sardar Mangal Singh: These are the estimates. What is the actual expenditure?

The Honourable Sir Jeremy Raisman: I am talking of the year 1943-44 which is not yet completed and for which accounts have not yet been made up; and I am talking of the year 1944-45 which has not begun, and therefore I can only give him estimates. That is one of the reasons why I did not mention the figures. I cannot give actual figures. The figures for previous years which I have mentioned before were actual figures.

Now, Sir, I do not think this is a suitable occasion for me to go again over the question of the troops for which India has paid or the forces for which India is liable and the question of the interpretation of the financial settlement, because I have already spoken on that subject and I dare say I may have to speak on it again. I do not think it is directly relevant to this particular motion. But I must deal with Sir Cowasjee Jehangir's point, because he has made it more than once and I am afraid that I have still failed to enable him to appreciate the difficulty in his suggestion. Sir Cowasjee Jehangir appears to me to have entirely a different conception of the Committee that was required from almost any one else, an example of how various speakers have agreed in supporting the motion with different ideas about the object which is envisaged. Sir Cowasjee Jehangir wants a Committee not confined to Members of this House to scrutinise, so to say, the working of the financial settlement and the actual allocation of expenditure under the financial settlement between India and Britain. Now, what I have tried to point out to him in the past is this. The primary allocation of charges between India and Britain is done by what I may call the Indian machinery i.e., the machinery of the Indian Finance Department. It is audited by the Indian Audit Department under the Auditor General and no separate British machinery either allocates or audits allocation. The primary accounts are prepared in India and they are audited in India and the results of that allocation and that audit are placed before the Public Accounts Committee of this House. Now, even the Auditor General of India has been delegated, as it were, certain function on behalf of the Auditor General of England, at any rate, the Auditor General of England accepts the position that when the audit has been carried out in India, it is unnecessary for him to ask any independent machinery again to go through it, so that the same accounts which are presented to the Public Accounts Committee of this House are duly presented to the Public Accounts Committee of Parliament. Now the position is that this House

[The Hon. Sir Jeremy Raisman.]

through its Committee should receive satisfaction and the Parliament through its Committee should receive satisfaction.

An Honourable Member: That is done only during war years.

The Honourable Sir Jeremy Raisman: I am explaining the regular position under the settlement. If for any reason you wish to disturb that constitutional machinery, if you say "I am not entirely satisfied" (and I do not know on what grounds, but you seem to imply that it is impossible to entrust this task to Public Accounts Committee of this House which has the capacity to deal adequately with this question), whatever your grounds may be, but you say "I am not satisfied with the position, and I want some other Committee to go into this matter", then you depart entirely from the constitutional position. What is there to prevent the British side to say "we want some other Committee to go into this matter. We notice that in every year our expenditure on war in India is the lion's share. *Prima facie* these allocations are made primarily by the other side, by the Government of India, and while we are not satisfied we would like to have our own independent machinery and our own enquiry committee to go into the matter". You get into a position, in fact, of mutual lack of trust and so on, and the whole thing is liable to be churned up again. In fact there is no practical solution. After all you have to satisfy two constitutional bodies: two separate constitutions have to be satisfied in respect of this expenditure as you go on, so to speak, to divide the cake between the two. That is the difficulty which I have tried to explain to Sir Cowasjee Jehangir. It may be, he may have a feeling that he would like to have somebody else to go into the matter further, but there, it seems to me, that is not possible. I do not admit for a moment that there is anything whatever that could not be subjected to the scrutiny of any number of Committees. But I think it is not desirable at the present moment especially when there is an official machinery which exercises an objective and dispassionate judgment and which is audited by the Auditor General who is in this regard in exactly the same position as a higher judicial authority. Whatever is presented to him, he does not pass his decisions thereon either to the advantage of India or to the advantage of Britain. He says "What was your settlement, what did you say and what did you agree to? According to what you agree to, this falls to your share". In case one party tried to argue, is that going to get us any further? That is a judicial procedure which should be adopted by a more or less impartial authority.

(On the question of allocation of the defence expenditure, I cannot see how a Committee of this kind could enter the field. On the question of control it may be argued that there is a good deal of defence expenditure which you have to control. This defence expenditure is incurred by a number of military authorities, Commanders in the field and various types of military authorities.

An Honourable Member: What about the military engineering service, and the contracts?

The Honourable Sir Jeremy Raisman: Yes, I quite agree that in regard to that it is possible, I do not say prospectively or concurrently. If the audit operates, it is possible for a Committee to examine what was done, and actually, of course, that is done by the Public Accounts Committee.

An Honourable Member: That is a *post mortem* examination.

The Honourable Sir Jeremy Raisman: My Honourable friend himself was a member of the Military Accounts Committee which cross-examined the Engineer-in-Chief in regard to the military constructions and contracts. My Honourable friend says that is a *post mortem* examination. What exactly is the alternative? The military works in which I myself was closely interested concerned the construction, for instance, of a number of air-fields and various other works. The trouble was that most of those works were executed in a great hurry and under stress of urgent military necessity. What exactly—and I ask this in all seriousness—what exactly would be the function of the Committee of this House in relation to that situation?

What would you do? Would you call the Committee of the House together and say, "Well, now, there are 40 airfields to be constructed within the space of 2 or 3 months, and there are various other things. We have to have accommodation in such and such a district for 150,000 men who have never been there before, where no troops have ever been". What would you do? Would you consult the Committee as to the method in which you should set about that? Would the Committee sit here from day to day and would it discuss with the military authorities which require these works the degree of urgency, how long they could wait, what should be the specification of the works, where the labour should be got from, and so on? How exactly—and again I say in all seriousness—would the Committee of this House help me, as Honourable Members have said they would like to do, in the work of scrutiny—and a scrutiny which is not *post mortem*, that is to say, in some way prospectively and concurrently.

Sir Muhammad Yamin Khan: They will help you in finding out whether the rates are proper or not.

Mr. Jamnadas M. Mehta: It cannot be done.

The Honourable Sir Jeremy Raisman: Sir Muhammad Yamin Khan—and here again I would like to emphasise that I am speaking with intense seriousness, since many Members of this House have said, how does the Government resist a suggestion of this kind, and I do not want, I am very anxious not to alienate the feelings of Members who wish to approach this matter entirely on the merits and are not anxious to do what can be done any day in this House, namely, inflict a defeat on the Government. It is nothing new that we are in the position in which we cannot rely on a majority in the House, and so, if anybody is acting from any political motives, then, of course, there is nothing we can do about it. We can have the monotonous spectacle of divisions day after day, or hour after hour or even every half hour, but whether that helps to induce a sense of responsibility either on this side of the House or on that side of the House, I will leave to others to judge. But it should be remembered that that situation works both ways.

Mr. T. T. Krishnamachari: How do you react to it yourself?

The Honourable Sir Jeremy Raisman: My reaction? I will be quite frank with the Honourable Member. My reaction is this. There are a number of matters on which I should be very glad to know exactly what the sober judgment and feeling of the Members of this House in regard to the merits are. I consider that in the House at present it is impossible for me to get an answer to any of those questions, because, if my Honourable friend, for instance, were to raise a question or move a cut motion in which in all seriousness he wished to debate a point or to elicit some information from the Government, he would almost certainly find that he was unable to withdraw that cut motion because once the possibility of inflicting a defeat on the Government has arisen on the floor of the House there would be so many people who cannot refrain from exploiting the opportunity, and therefore the result is that we have complete irresponsibility all round. That is my personal reaction to the position.

Sardar Mangal Singh: Shut up this House then.

The Honourable Sir Jeremy Raisman: I leave that to my Honourable friend. But as a Member of the Government who has a good deal of work to do, and work of difficult and exacting character—as one who has always tried to carry reasonable opinion with him I can only say that the position which exists at the present moment is one in which it is virtually impossible to carry out one's functions in a satisfactory manner.

Mr. Jamnadas M. Mehta: Have you carried reasonable opinion about railway fares with you?

The Honourable Sir Jeremy Raisman: I believe, if that question were considered entirely on the merits, I would get 99 per cent. of reasonable opinion with me.

Mr. Jamnadas M. Mehta: Don't make a condition.

The Honourable Sir Jeremy Raisman: I do not mean people who dislike paying higher fares, because then I myself would be in the class, I would have to support you. Everybody dislikes it, but then I believe most forms of anti-inflationary action are unpopular, and so is that one.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): What is the percentage of reasonable opinion which likes the enhancement of fares?

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

The Honourable Sir Jeremy Raisman: I am afraid I have strayed somewhat from my point, but I was saying that I was anxious to try and visualise exactly how a committee functioning in this way could help in dealing with these problems. My Honourable friend, the Mover of this cut motion, drew my attention to bribery and corruption of which I hear so much and of which I am indeed distressed to hear, and I wish I could obtain assistance in dealing with it effectively. I personally would be prepared to stop at nothing in order to eradicate the evil. How exactly will a committee of this kind help us to eradicate bribery and corruption from particular departments? I find it rather difficult to visualise. It is true, as my Honourable friend says, that a good deal goes on and may go on, that never comes to my knowledge, except, of course, that letters are sent to me, anonymous letters, and Honourable Members sometimes speak to me on matters of this kind or mention them in a general way. But how exactly would his Committee deal with this particular evil? If I could concretely visualise that, I could see possibly great value in a committee of this kind, but I find it difficult, again, to visualise exactly how it would operate.

Sir Syed Raza Ali: I have no desire to interrupt the Honourable Member. But may I point out that the very existence of such a committee would remove many of the difficulties which have been specifically put before this House by the Honourable Member—the very existence of such a committee?

Mr. Jaminadas M. Mehta: You create new problems also.

The Honourable Sir Jeremy Raisman: I do not quite see that. If that were the case, if the mere existence of the committee were to do that, then, of course, we could call it into being and let it exist.

Sir Syed Raza Ali: I do not mean that the Honourable Member should treat this committee in the same way as the Treasury Bench treats this side of the House. I do not mean that. I meant really a live committee, a committee which, if necessary, would function.

The Honourable Sir Jeremy Raisman: I am trying to visualise—that is the point. As regards existence of the committee, I see no difficulty, because you have only got to appoint a committee. But when one tries to get to the actual working of the committee I find it difficult.

Now, my Honourable friend of the European Group, Sir F. E. James, mentioned an Estimates Committee which he had wanted some years ago and he wished to know what would be my reactions to a committee of that kind. Well, an Estimates Committee works in a different way, of course, from our Standing Finance Committee. What it does is to take blocks of the accounts, so to speak, periodically. Every year, it would take different parts of the field of Government expenditure and go through them fairly carefully and in this way it would make a minute study of particular departments spread over a period of years. In this way, it would cover the whole field of Government expenditure and in the course of that examination, it would bring to light many matters which ought to be brought to notice. That is what was done in England. But I believe at the present moment and during the war the Estimates Committee is in abeyance, because it does not correspond to the needs of a war time situation.

Sir F. E. James: There is, of course, the National Committee on Expenditure.

The Honourable Sir Jeremy Raisman: I am coming to that. In England they have put the Estimates Committee in suspense, because it is not very useful at the present time. Now, they have there had for some time a

National Committee on Expenditure. Two things have happened. One is that the National Committee on Expenditure has found itself trying to cover to a large extent the same field as the Public Accounts Committee. The Public Accounts Committee, as here, takes a good deal of time to go through the accounts. We here try to get through and finish with our report in about three weeks or somewhat less and we have had great difficulty here in fitting the Public Accounts Committee in such a way as to meet the convenience of all the people who have to come together in order that the work of that committee should be carried out. I am one of the people, of course, who are chiefly affected and I find it increasingly difficult to fit the Public Accounts Committee into my annual programme. In England, they have now found that the same busy officials have to appear both before the Public Accounts Committee and the Select Committee. That is one difficulty. But another difficulty is this. In order that a committee of that kind should function, a tremendous amount of material has to be prepared by the departments. It is no use Honourable Members of this House deluding themselves into the belief that they can just sit round a table and discuss the question of Government expenditure in the abstract. They will have to have a tremendous amount of material, and not merely the accounts as presented. The figures will have to be presented in new ways. They will ask new questions. The whole of the material has to be worked up again in the departments, but now in England I am informed that that has proved an almost intolerable burden. It has presented the administration with a very serious problem indeed. In England, they have their staff on a scale which is many times the scale on which we are staffed here. In fact, single departments in Whitehall are as large as the whole of the Government of India. The Food Department is, I believe, larger than all the Government of India and all the Provincial Governments put together. That is the scale on which they are staffed. (Interruption.) Here we have a handful of men. Our chief difficulty is skilled administrative personnel. In particular, the work of financial control can only be done by people who have a certain amount of financial training. Of these, I have a very limited supply and they have now to carry out duties many times more than was ever necessary in the past. Those men are utterly over-worked. It is the worst bottle neck of all and when the word 'economy' is used, as it is used in relation to a debate like this, I am bound to say to you that economy in money or economy of any other kind is unimportant by comparison with the question of economy of skilled manpower which is necessary for work of this kind. Now, I should think myself failing in my primary duty if I laid any more burdens on that particular staff. I do not care what votes of censure this House may wish to inflict on me as the head of this department but I would rather endure 20 votes of censure than ask these men to undertake still more of the work which is killing them.

Dr. P. N. Banerjee: 20 votes of censure will not hurt you at all?

The Honourable Sir Jeremy Raisman: If Honourable Members can suggest ways in which they can helpfully assist in the work of controlling the expenditure without laying further burdens on a staff which is already undergoing the most desperate strain, then I should be very happy to discuss it with them. But I must make it quite clear that I could not contemplate for a moment the setting up of a further committee in addition to the committees which already exist—the setting up of a further committee which would make more demands on that staff. It is a staff which has deserved exceedingly well of the Government and of the country. It has done yeoman service and its standard of effort is beyond all praise. Sir F. E. James referred to an unfortunate casualty which has just occurred amongst that staff. That is an example of an officer who is completely irreplaceable.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has exceeded his time limit but if the House desires to hear him I have no objection.

Mr. Abdul Qaiyum (North-West Frontier Province: General): He does not care for censure motions and we do not care for his speech.

The Honourable Sir Jeremy Raisman: At the age of 38, this officer had reached a maturity of judgment and a degree of experience (*An Honourable Member:* "This is poetry, not finance") which were absolutely invaluable for precisely the purposes which the House is interested in, namely, the negotiation of contracts in regard to such matters as supply and food. Well, I have no doubt whatever that he is a war casualty. I do not know how gaps of that kind are to be filled. I do not know if Honourable Members can tell me how I am to replace personnel of that kind. I shall be glad to hear their suggestions but as far as I am aware we are desperately short of men and I certainly cannot possibly agree to place any more burdens on the shoulders of the existing over-worked staff. If Honourable Members think that the Standing Finance Committee is unnecessary at this time or if they think that the work of the Public Accounts Committee could be very greatly reduced. . . .

Dr. P. N. Banerjee: Increased, not reduced.

The Honourable Sir Jeremy Raisman: Increased, you think? If they can suggest ways in which the pressure on the machine can be reduced in order to make it possible to provide for the functioning of an additional committee, then I would be very glad to consider a suggestion of that kind.

Mr. R. R. Gupta (Cities of the United Provinces: Non-Muhammadan Urban): Will you give an assurance that if we can suggest some suitable formula for the appointment of such a Committee, you will accept it in principle?

The Honourable Sir Jeremy Raisman: Yes, I entirely agree on the principle of endeavouring to secure economy in Government expenditure by every possible means. I am at one with my friend, Mr. Jamnadas Mehta, in spite of the hard things he says about me. He says the hardest things of all Members of this House, but I have the warmest regard for him in spite of all that. I regard him as a foeman worthy of one's steel. At the same time, I entirely agree that it is impossible for any Finance Member to oppose in principle a motion of this kind. My difficulties are not difficulties of principle; my difficulties are practical, detailed difficulties. My difficulty throughout in today's debate was to get a clear idea of what Members had in common and to visualise the common content and how it can be carried out. I must admit that I have so far failed to do that. If, therefore, I am asked: What is my reply to the motion, I can only say that I should have to study the speaker that have been made for some time longer than I have been able to do today, that I should have to consider whether there is any common content which could be met and, above all, whether it is practicable with the machinery at our disposal to make the working of such a committee fruitful. I am quite prepared, as I said, to bring a Committee into existence. That is a comparatively small matter. But what I am not prepared to undertake is that I can provide the official assistance which I know will be necessary in order to make such a committee operate usefully. That is where I have my doubts and they are of a most serious kind. It is absolutely fundamental with me that I cannot increase the burden on my administrative staff without providing any compensatory relief. Any further functions that are laid upon them must somehow come out of the total quantum which is already laid on them. In fact, the position there is exactly the same as I described in regard to the economy of India in my Budget speech. You cannot get a quart out of a pint pot. The staff that will have to assist you are already working at a pitch, which means that there is an imminent danger of breaking down. You cannot get them to do any more. You can kill them, but you cannot get more out of them. So, if you wish to have material provided for the work of the Committee, you have somehow to suggest how you will relieve them of a corresponding amount of work. On that simple issue, I do assert that it is quite impossible to proceed with a Committee unless that Committee requires no official assistance, which I cannot conceive.

I do not know if there is any specific question which Honourable Members expect me to answer in the course of my reply. But on the main question, my answer can only be that I should like to have further time to study what has been said on this motion and to consider whether it would be possible to meet the generally expressed desire for something of this kind to be done. But whatever it should be, it would have to be subject to the overriding condition that it should be practicable in relation to our man-power position. If that is accepted by the Honourable the Mover as being a substantial compliance with the main object which he has in view, then I should be very happy to do that. But if he considers it unsatisfactory then I regret that I cannot go any further and must oppose the motion.

Nawabzada Muhammad Liaquat Ali Khan: Sir, but for certain remarks that have been made by the Honourable the Finance Member, I would not have felt justified in taking the time of this Honourable House. Before I deal with his speech, let me dispose off my Honourable friends, Mr. Chatterji and the Leader of the European Group. My Honourable friend, Mr. Chatterji, was angry and greatly annoyed with my friend, Sir Muhammad Yamin Khan, for certain remarks which he is alleged to have made and which Mr. Chatterji misunderstood. He is a Professor and I am sure he will understand my meaning when I say: 'My lady protests too much.'

Now, I come to the speech of my Honourable friend, the Leader of the European Group. It seems that thorough as he is on other occasions in the study of the subject which is for discussion before this Honourable House, he did not take the trouble of even reading the language in which the cut motion is framed.

Sir Henry Richardson: I did read it.

Nawabzada Muhammad Liaquat Ali Khan: My Honourable friend says he did. I am not quite sure if he was quite wide awake when he did that because he stated that if there was a Committee of non-official Members, it would not be able to discover anything because what do the non-official Members know about the intricacies of finance and so on? But if he had read the motion carefully, he would have found that my Honourable friend, Sir Muhammad Yamin Khan, was very careful in stating that the Committee should have suitable officials to assist it. Then, Sir, he said that if the Honourable the Finance Member was a dishonest man, he would put the Committee on the wrong road. If we had thought that Sir Jeremy Raisman was a dishonest man, we would not have come forward with this motion. I do not think that my Honourable friend the Leader of the European Group did justice to Sir Jeremy Raisman.

Sir Henry Richardson: As usual, the Honourable Member has quite misunderstood what I have said.

Nawabzada Muhammad Liaquat Ali Khan: Now, I come to the speech of my Honourable friend the Finance Member. He said that the object of this motion is to inflict a political defeat on the Government.

The Honourable Sir Jeremy Raisman: No, I did not say that. I must protest.

Nawabzada Muhammad Liaquat Ali Khan: May I ask my Honourable friend to repeat what he said and what did he mean?

The Honourable Sir Jeremy Raisman: What I said was that it has been suggested in various quarters that I should deal with this motion on its merits and therefore I was anxious to deal with it on the merits. Then, I was asked some questions about my reaction to political defeats.

Nawabzada Muhammad Liaquat Ali Khan: I think my Honourable friend was too engrossed in his own thoughts. Nobody from this side suggested anything like political defeat for the Government. We are not so foolish as to attach much importance to political defeats of this Government. But I think what he meant was that these motions that are being moved from this side of the House were really intended with the main purpose of inflicting a defeat on the Government. I can assure him that in this particular matter there is no such intention. He said that even if we were to pass twenty censure motions, he would not be moved.

The Honourable Sir Jeremy Raisman: Not in regard to this particular point. What I said was about imposing further burdens on the staff.

Nawabzada Muhammad Liaquat Ali Khan: I was wondering when I was listening to him if my Honourable friend when he retires and goes back to England and if he becomes the Chancellor of the Exchequer, would get up in the Parliament there and say to the Members of the House of Commons that "I do not care two buttons for the censure motions that you may pass against me."

The Honourable Sir Jeremy Raisman: I did not say that.

Nawabzada Muhammad Liaquat Ali Khan: I do not think he would have the audacity to do a thing like that.

The Honourable Sir Jeremy Raisman: I think that if I were in that position, I should be prepared to tell the House of Commons that I would place the health of my staff and their ability to bear further burdens before any political considerations.

Dr. P. N. Banerjee: And that you would face twenty censure motions!

Nawabzada Muhammad Liaquat Ali Khan: My Honourable friend is again really mixing up this motion with political considerations. This is a new technique that the Government have developed since they found that they could not get a majority of votes with them. I do remember in this very House that when we were discussing a very important piece of legislation, how day after day the Government inflicted defeats on us and the excuse was that, "well, this is the decision of the House". Arguments, logic, fairness, everything was thrown to the winds and we were twitted and told that it was the decision of the House, but today my Honourable friend gets up and says that the decision of the House is not logical in these matters where he does not agree with it.

Sir, my Honourable friend said that he could not possibly put any further burden on his staff. Now, Sir, I want to ask him one or two questions. Does he satisfy himself that there is no waste in the various Departments of the Government? He shakes his head. He does not satisfy himself.

The Honourable Sir Jeremy Raisman: I thought the Honourable Member said 'am I satisfied'?

Nawabzada Muhammad Liaquat Ali Khan: I said, 'does he satisfy himself that there is no waste in the various departments'?

The Honourable Sir Jeremy Raisman: I endeavour to do that with the means at my disposal.

Nawabzada Muhammad Liaquat Ali Khan: I dare say he does that on certain materials which are prepared by his staff and placed before him. Am I right or wrong?

The Honourable Sir Jeremy Raisman: No, no. A greater part of this is not placed before me personally. It does not need to be committed to paper.

Nawabzada Muhammad Liaquat Ali Khan: It is not committed to paper; like all the decisions of the Government of India it is kept in the air. There are private conversations, I suppose, over a cup of tea when great issues are decided. But, Sir, I do not know whether my Honourable friend realises that he was not really being fair to his own Department when he made this proposition that he would not dream of putting any more burden on the staff. His Department, if it is vigilant, must be keeping a close watch over the expenditure of all the various Departments in the Government of India. It must have all the materials at its disposal, otherwise it cannot keep any watch on all these Departments. So, the material is already there. All that is required is that there should be a Committee of this House to scrutinise that material and to scrutinise the expenditure of various Departments.

The Honourable Sir Jeremy Raisman: My Honourable friend must realise that the grounds of decision do not have to be justified further before another outside body and that again is another stage of labour. It is one thing to come to decisions in the light of your own technical expert knowledge and, another thing to explain it to other people.

Nawabzada Muhammad Liaquat Ali Khan: In other words, it seems to me, Mr. President that the Government of India is run by various heads of Departments independently. They do as they like, they spend money as they please. There is no check over them, because if there is a check over the various Departments of the Government of India and its various branches, then, I am afraid, I cannot agree with my Honourable friend that the material is not already available for the scrutiny by such a Committee.

I can assure him, if my assurance will have any value for him—because after his remark that he does not care even for 20 censure motions, I do not think that any assurance from this side of the House will have any effect, anyhow I never give up hope in anybody—I can assure him that this motion was not put forward with the intention or with the object of inflicting any political defeat on the Government. There is a general belief in this House and outside that there is a great waste in the various Departments of the Government. As was pointed out by my Honourable friend, Mr. Jammadas Mehta, we are here, if we have to justify our existence in this House, to see that the money which is collected by this Government in the form of taxes is utilised usefully and that there is no waste. I think my Honourable friend, the Finance Member would indeed be a bold man if he got up and said that there was no wastage. Wastage, there is and the object of this cut motion is to have a Committee which would give an opportunity to the non-officials to satisfy themselves whether there was any wastage or not. That is number one. Secondly, to suggest to the Government of India that economies were possible in such and such matters. Sir, my Honourable friend should know that in the Government you get into a certain groove, you cannot think beyond that circle in which you are and bringing in of fresh minds to bear on these problems can never do any harm to the Government, it might do some good. I am sorry that my Honourable friend is not able to accept this proposition. He gave certain assurance. He said that on principle he agreed, but that in practice it was impossible. We, however, think that on principle it is possible and in practice also it is possible. Therefore, I am afraid we are not able, we are not in a position to accept the assurance of the Honourable Member. We believe that a Committee of this kind will do immense good, we believe that a Committee of this kind can prove very useful and we believe that to give effect to a proposition of this nature is possible for the Government, if they would have only the will to do so, and if they would have some regard for public opinion not only in this House but in the country as such. Sir, I support the cut motion which has been moved.

The Honourable Sir Jeremy Raisman: The Honourable Member said nothing about my suggestion that a committee of this kind should function without any official assistance.

Nawabzada Muhammad Liaquat Ali Khan: My Honourable friend says that I have not said anything about his suggestion that a Committee of this kind should function without any official assistance. May I know if he has appointed any committee without official assistance? What about his Planning Committees or Post-war Reconstruction Committee? Have you appointed them? Did they not put pressure upon your officials?

The Honourable Sir Jeremy Raisman: They did.

Nawabzada Muhammad Liaquat Ali Khan: Sir, my Honourable friend is damning politics, but because politically it was in your interest to show to the world at large that you were doing great wonders regarding reconstruction in this country, you have appointed these committees. But here, where there is a question of immediate necessity and immediate requirements, you are not prepared to do it and you want to get away from this proposition by saying that it will be too much of a burden on your officials.

The Honourable Sir Jeremy Raisman: Do you suggest that this should take the place of a post-war reconstruction committee?

Nawabzada Muhammad Liaquat Ali Khan: Surely, Mr. President, my Honourable friend is not so ignorant. I am talking of today, I am not talking of post-war.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand under the head 'Finance Department' be reduced by Re 1."

The Assembly divided:

AYES—55.

Abdul Ghani, Maulvi Muhammad.
Abdul Quyum, Mr.
Abdullah, Mr. H. M.
Azhar Ali, Mr. Muhammad.
Bajoria, Babu Baijuath.
Banerjee, Dr. P. N.
Bhutto, Mr. Nabi Baksh Illahi Baksh.
Chandavarkar, Sir Vithal N.
Chattopadhyaya, Mr. Amarendra Nath.
Chettiar, Mr. T. S. Avinashilingam.
Chetty, Mr. Sami Venkatachalam.
Choudhury, Mr. Abdur Rasheed.
Choudhury, Mr. Muhammad Hussain.
Dam, Mr. Ananga Mohan.
Datta, Mr. Akhil Chandra.
Deshmukh, Dr. G. V.
Deshmukh, Mr. Govind V.
Essak Sait, Mr. H. A. Sathar H.
Fazl-i-Haq Piracha, Khan Bahadur Shaikh.
Gupta, Mr. K. S.
Gupta, Mr. R. R.
Habibur Rahman, Dr.
Hans Raj, Raizada.
Hegde, Sri K. B. Jinaraja.
Hosmani, Mr. S. K.
Ismail Khan, Hajee Chowdhury Muhammad.
Joshi, Mr. N. M.

NOES—46.

Ahmad Nawaz Khan, Major Nawab Sir.
Ambedkar, The Honourable Dr. B. R.
Ayers, Mr. C. W.
Bentham, The Honourable Sir Edward.
Bewoor, Sir Gurmuth.
Bhagchand Souti, Rai Bahadur Seth.
Caroe, Sir Olaf.
Chapman-Mortimer, Mr. T.
Chatterji, Mr. S. C.
Daga, Seth Sunder Lal.
Dalal, Dr. Sir Ratanji Dinshaw.
Dalpat Singh, Sardar Bahadur Captain.
Griffiths, Mr. P. J.
Gwilt, Mr. E. L. C.
Habibur-Rahman, Khan Bahadur Sheikh.
Haidar, Khan Bahadur Shamsuddin.
Imam, Mr. Saiyid Haidar.
Inskip, Mr. A. C.
Ismail Alikhan, Khatun Hajee.
James, Sir F. E.
Jawahar Singh, Sardar Bahadur Sardar Sir.
Jehangir, Sir Cowasjee.
Kamaluddin Ahmad, Shams-ul-Ulema.
Khare, The Honourable Dr. N. B.
The motion was adopted.

DEMAND NO. 20—DEPARTMENT OF INDIANS OVERSEAS.

The Honourable Sir Jeremy Ralsman: Sir, I move:
"That a sum not exceeding Rs. 2,43,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Indians Overseas'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:
"That a sum not exceeding Rs. 2,43,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Indians Overseas'."

Facilities for Pilgrimage to the Hedjaz.

Khan Bahadur Shaikh Fazl-i-Haq Piracha (North-West Punjab: Muham-
madan): Sir, I move:
"That the demand under the head 'Department of Indians Overseas', be reduced by
Rs. 100."

Sir, the cut motion which I have just moved is intended to draw the attention of the Government towards the importance that the Mussalmans attach to the question of Haj pilgrimage to the Holy Kaaba, in the holy land of Hedjaz, and to impress upon the Government to abstain from stopping its performance this year, contrary to what they did in the last two years. It is also intended to show that the Government has failed so far to do what ought to have been done for providing proper facilities to the Hajis at the pilgrim ports, during their voyage to Jedda in pilgrim ships and in the holy land of Hedjaz itself.

Sir, the question of Haj is not a new thing for this House as it has always been the subject of discussion for the last several years in the form of Council Questions, Resolutions, and Amending Bills. It was only the other day that the House was pleased to pass my Shipping Amendment Bill in the interest of the Hajis. Therefore, without going into a detailed introduction about the Haj, it would, I think, suffice me to say, that the performance of Haj once in one's life-time is incumbent on every Muslim who can afford to undertake the journey. So it can very well be judged by the Honourable Members what would be the feelings of a Mussalman ready to go to the holy land for a pilgrimage when he is suddenly stopped from doing so. The Haj is generally performed by the people in India in the advanced age, and the House can well imagine the degree of disappointment of the old persons who are zealous and keen to perform this most essential religious duty but are denied to do so. The Government did not take a wise step in stopping the Haj performance in the last two years, and have thereby caused a widespread discontentment and resentment in the whole of the Muslim India. It was against the good name of the British and the Indian Government to have put forth lame excuses of the sea-route dangers. Sir, this question was discussed at length during the last Session on the 12th of August, when a Resolution was moved by my Honourable friend, Nawab Siddique Ali Khan, but to our great misfortune it had no effect whatsoever upon the Government. Sir, the next Haj comes off in November next and I have taken this opportunity to put forth our views, once again, in asking the Government not to treat the question of Haj in the light manner they did last year and the year before last, and to seriously consider the consequences of stopping the Mussalmans from performing their most sacred and religious duty. Sir, although during the last Great War the situation was a much more serious one, and the sea routes in the Indian waters were also much more dangerous than they have been in the last two years, and although at that time Turkey was fighting against the British allied with Germany, and the German U Boats, specially the well-known *Emden* had done havoc in the Indian Seas and had created a general panic and terror in the country, the performance of Haj was not stopped. Sir, the war broke out in 1939, but the Haj was allowed till the year 1941. Although the war situation in those years was not quite favourable to the Allies, the Government had arranged not only to pay subsidies to the shipping companies to carry pilgrims to Jedda, but in addition convoys were also sent for the protection of the pilgrims. It is still a mystery for us to know what are the special reasons for which the Government adopted the Haj stopping policy in the last two years. The Government, if they desired, Haj stopping arrangements, as before, even if any danger was expected at all in the sea voyage. Sir, the excuse of the unsafe route does not appeal to our mind when we see that hundreds of thousands of troops with supplies worth crores of rupees were transported to and from the Middle East in the last two years, without any loss known to the public.

Besides, the British Government themselves made shipping arrangements for Haj for Egyptian, Syrian and Palestine nationals in the last year, so much so that the Indian ships of the Mughal Line were employed for that purpose thus depriving the intending Indian pilgrims themselves from their use. The Scindia Steamship Company was prepared to carry on the Haj traffic, but they were not allowed to do so. Their ships were requisitioned and were not released.

[Khan Bahadur Shaikh Fazl-i-Haq Piracha.]

Immediately after the Haj season traffic between Jedda and India was resumed and it is only a few days back that a passenger ship from Jedda has arrived at Bombay. Taking for granted that the sea route to Jedda was not safe, did the Government consider to open land route for those passengers who wanted to undertake the journey for Haj and did they try to provide facilities to them? No. This was not done although suggestions were made to that effect by the public outside and their representatives in this House. A good number of pilgrims could also be sent by aeroplanes, if the Government desired so. The land and the air routes were admittedly safe, but it is an open secret, Sir, that the Government attached no importance to the Haj and to the religious sentiments of the Mussalmans of the country.

Sir, taking all these facts into consideration one feels difficult to understand why in the first three years of war all the arrangements were made by the Government for the performance of Haj, and why in the last two years they were denied, when the war situation was far better and the Allies had won victories everywhere. Sir, to me it appears that some unknown political reasons, besides the sea route danger, were the cause of all this, and perhaps the Government did not like the personal contact of the Indian Mussalmans with the Mussalmans of other parts of the world at their annual gathering in the holy land at the holy Kaaba. If it is like that, I must say that it is a very unwise policy of the Government, especially when it collides with the religious sentiments of the Muslim public. Sir, the Saudi Government or His Majesty the Sultan of Hedjaz may not have raised any objections to this Haj stopping policy of the British Government on account of certain diplomatic relations. They may have also been won over either by paying large subsidies to compensate their revenue losses they had to incur, owing to the stoppage of Haj, which the Saudi Government every year charges from the Hajeers from India and other countries, in the form of various taxes, or by offering a warm reception and valuable presents to the Saudi princes on their visit to India, but the public at large will never be satisfied unless and until their visit to the Holy land is opened for them and proper facilities are provided as usual. The question of Haj is a common question of the Muslim world and the Sultan of the Hedjaz and his Government are mere humble servants of the holy places and nothing more.

Sir, when reading the holy Quran, I happened the other day to read the chapter on Haj and came across the following *Ayat* (verses) which relate to persons who try to keep back people from going to the Holy Kaaba. I noted them down, to quote this open challenge of Allah on this occasion, for the benefit of those Honourable Members who were responsible for keeping back the Mussalmans from the performance of Haj, especially the Honourable Muslim Members of them, with the hope that they will not repeat what they did before in stopping the Haj and would amend their past doing.

The *Ayat* run as follows:

Innallazina kafaru wa yas ududuna an sabilillahi wal masjidil-Haramillazi ja'alnahu linnaasi sawa-a-nilakifu fhi walbad, wa man yurid fhi bi-ilha din bizulmin nuziqhu min a'abin alim.

Sir, the English translation of these verses would be as follows:

"Surely as for those who disbelieve and hinder men from Allah's way and from the sacred mosque (i.e., the holy Kaaba) which we have made equally for all men, for the dweller therein and for the visitor, and who ever shall incline therein to do wrong unjustly, we shall make him taste a painful chastisement."

Let the Honourable Muslim Members of the Executive Council study this chapter at their leisure time and know their responsibilities towards this important and foremost principle of Islam.

Mr. President (The Honourable Sir Abdur Rahim): It is now Five of the Clock. I adjourn the House till Eleven of the Clock tomorrow morning.

The Assembly then adjourned till Eleven of the Clock on Wednesday, the 15th March, 1944.

LEGISLATIVE ASSEMBLY

Wednesday, 15th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS.

SUGGESTIONS FOR ENCOURAGEMENT TO STAFF OF CERTAIN NAVAL SHIPS.

420. *Mr. Govind V. Deshmukh: Will the War Secretary please state with reference to his answer to my starred question No. 165, put on the 23rd February, 1944, if the suggestions (i) to increase the number of petty officers, (ii) to increase the allowance of Rs. 10 a month to the boys of *H. M. I. S. Dilawar*; and (iii) to give a long service medal and a grant to a person serving for a long time in the navy, were made by any or all of the officers of the above mentioned *H. M. I. S. Bahadur, Dilawar, and Himalaya*? If so, do Government propose to carry out any of these suggestions?

Mr. C. M. Trivedi: The answer to the first part is in the affirmative. As regards the latter part, suggestions (i) and (iii) are under consideration and suggestion (ii) has been accepted.

SUGGESTIONS FOR STIMULATING RECRUITMENT OF INDIAN WOMEN TO W. A. C. (I).

421. *Mr. Govind V. Deshmukh: Will the Honourable Member for Information and Broadcasting please state if Begum Shah Nawaz made any suggestions to stimulate recruitment of Indian Women to W. A. C. (I), in her former capacity as a lady organiser of the National War Front or in her present capacity? If so, what were the suggestions, and to what extent were they carried out?

The Honourable Sir Sultan Ahmed: The Honourable Member is referred to part (c) of the reply given to his question No. 327 on 7th March, 1944, by the War Secretary. Recruitment to the W. A. C. (I) is a matter for the War Department.

Mr. Govind V. Deshmukh: If I mistake not, it was said in one of the answers to the previous questions that this lady had ceased to be a member of the National War Front and she is now working in another capacity. My question put to the War Secretary referred to a different matter.

The Honourable Sir Sultan Ahmed: No.

Mr. Govind V. Deshmukh: Yes. My question was whether she had made any suggestions to the Government regarding the recruitment. The answer was 'No'. I am asking whether as a member of the National War Front she made any efforts, because she was making contacts all over and addressing ladies' meetings? I want to know whether in the process of making these contacts she achieved anything?

The Honourable Sir Sultan Ahmed: The question is exactly the same, which was put to the War Secretary who was then asked whether this lady, when she was making contacts and speeches in several provinces of India, suggested any steps to stimulate the recruitment to W. A. C. (I). The answer then was 'No' and the answer today is also 'No'.

Mr. Govind V. Deshmukh: My question here is specifically whether before or after she made any suggestions?

The Honourable Sir Sultan Ahmed: My answer is that as a lady organiser of the National War Front or in her capacity as a member of the Department, in either case, she made no suggestions.

Mr. Govind V. Deshmukh: What were the other contacts which she was making?

The Honourable Sir Sultan Ahmed: I submit that is not the question. You wanted to know whether she had made any suggestions to stimulate recruitment of Indian women.

Mr. Lalchand Navalrai: May I know from the Honourable Member in which Department is she working—in the Broadcasting Department? If so, what is her salary?

The Honourable Sir Sultan Ahmed: She is working in the Information Department.

Mr. Lalchand Navalrai: What is the work given to her and what salary does she get?

The Honourable Sir Sultan Ahmed: I want notice of that question.

DETENTION OF PETITIONS OF LALA FERAZ CHAND.

422. *Mr. K. S. Gupta: (a) Is the Honourable Home Member aware that the Chief Secretary to the Government of the Punjab in his affidavit explained that petitions of Lala Feroz Chand, etc., were detained by Government because "at one time it was thought such petitions did not lie to this Court and later when it was realized that they did, Government withheld them pending the decision of another case by a bench of this Court"?

(b) Have the Government of India noted the following remark by the Chief Justice of the Lahore High Court: "There appears to be persistent endeavour on the part of the Executive these days not only to ignore and flout the Legislature, but even to interfere with and curtail the powers of the Judiciary as well. The judiciary have, therefore, got to be extra vigilant to preserve and maintain their authority and prestige intact"? If so, do the Government of India propose to issue necessary instructions and directives to the people connected and concerned in the various provinces to maintain the morale of the Judiciary in the country?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) The judgment of the Lahore High Court pronounced in respect of certain miscellaneous petitions in February has dealt with the legal aspect of the case and Government have nothing to add. The High Courts have ample powers to enforce their rights.

Mr. Govind V. Deshmukh: May I know if the Government will direct the executive not to interfere with judicial matters?

The Honourable Sir Reginald Maxwell: I think the High Courts are quite able to look after themselves.

Mr. Lalchand Navalrai: May I know if the Government has taken any steps after that incident to see that the executive should not come into clash with any orders of the High Court?

The Honourable Sir Reginald Maxwell: That is for the executive of the Province to see and not for the Central Government.

Pandit Lakshmi Kanta Maitra: May I know if the Honourable Member's attention was drawn to this observation of the Chief Justice of the Lahore High Court before he received notice of this question?

The Honourable Sir Reginald Maxwell: I require notice of that.

Pandit Lakshmi Kanta Maitra: I want to know if the Honourable Member's Department receives these things as a matter of course.

Mr. President (The Honourable Sir Abdur Rahim): He has given the answer. He wants notice of this question.

Pandit Lakshmi Kanta Maitra: May I know whether it is the practice to call for these reports from the High Courts or has the Honourable Member got any agency of the Central Government in the Provinces?

The Honourable Sir Reginald Maxwell: My Department has nothing to do with the High Courts directly. The High Courts are provincial institutions and deal with the Provincial Governments.

Mr. Govind V. Deshmukh: When did this matter come to the notice of the Government?

The Honourable Sir Reginald Maxwell: I think it only came officially to notice when the question was asked. I saw reports in the Press but we don't take action on Press reports.

ILLNESS OF PANDIT RAVI SHANKAR SHUKLA.

423. *Sardar Mangal Singh: Will the Honourable the Home Member please state;

(a) whether it is a fact that Pandit Ravi Shankar Shukla, ex-Premier, Central Provinces, has been suffering from Ethmoiditis and Anthrelgia for a long time;

(b) how many times he has been operated upon since his detention;

(c) whether it is a fact that after several operations the disease has not been cured, and the doctors realising any further operation dangerous, have started palliative treatment only;

(d) whether it is a fact that puss drips out from his nose, and that it is feared that it is being absorbed in his blood (system) which may poison his body; and

(e) whether it is a fact that Pandit Ravi Shankar Shukla gets slight fever, headache and pains in his joints and, that he shows signs of weakening memory?

The Honourable Sir Reginald Maxwell: Sir, with your permission, I will reply to questions Nos. 423 and 424 together.

Pandit Ravi Shankar Shukla is a Provincial Government prisoner and I have no information regarding his case.

Mr. Govind V. Deshmukh: Could not the information be secured? The Honourable Member may not have the information but there was sufficient time to secure information on this matter.

The Honourable Sir Reginald Maxwell: I may inform the Honourable Member that on receipt of notice of this question we did make an inquiry from the Central Provinces Government but we have not had a reply.

ILLNESS OF PANDIT RAVI SHANKAR SHUKLA.

424. *Sardar Mangal Singh: (a) Will the Honourable the Home Member please state whether it is a fact that Pandit Ravi Shankar Shukla has sent a letter to Government requesting that he may be allowed to be treated by his private doctor;

(b) what reply Government have given to his request; and the reasons therefor; and

(c) whether Government realise that it may be too late in his case if Government release him too late?

DETENUS AND POLITICAL CONVICTS IN JAILS.

425. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) the number of detenus and political convicts now confined in jails, provincewise;

(b) how many have been released as a result of the recent review of their cases; and

(c) whether Government are satisfied that the policy of gradual releases is desirable and is not attended with any risks from their point of view?

The Honourable Sir Reginald Maxwell: (a) I place on the table a statement showing the number of security prisoners in detention in each Province and the number of convicted persons undergoing imprisonment in connection with the Congress Movement in each Province as on January 1st, 1944—the last date for which figures are available.

(b) There has been no particular recent review, the results of which can be stated as a whole. Out of about 21,000 detention orders made since the beginning of the war nearly 13,400 have been cancelled up to the 1st January last.

(c) It is the policy of Government not to detain anyone who can safely be released and they have no reason to be dissatisfied with the results of this policy.

+For answer to this question, see answer to question No. 423.

	Statement Persons in detention.	Persons undergoing imprisonment in connection with Congress Movement.
Madras	357	1151
Bombay	1437	790
Bengal	1335	64
United Provinces	1361	4540
Punjab	491	175
Bihar	496	5300
Central Provinces	438	890
Assam	208	333
North-West Frontier Province	152	127
Orissa	373	490
Sind	955	54
Coorg	3	4
Delhi	50	213
Ajmer-Merwara	19	4
Baluchistan	Nil	Nil
Centre	44	..
Total	7719	14135

ILLNESS AND DEATH OF MRS. GANDHI.

426. *Pandit Lakshmi Kanta Maitra: Does the Honourable the Home Member propose to make a full statement with regard to:

(i) the circumstances under which Mrs. Kasturabai Gandhi met her death in detention;

(ii) the facilities offered by Government for her treatment;

(iii) the facilities, if any, offered by Government to non-official or private medical practitioners for her treatment;

(iv) the facilities offered by Government for interview by her friends and relations in the detention camp during the later stages of her illness; and

(v) the facilities for the performance of her funeral rites?

The Honourable Sir Reginald Maxwell: (i) The Honourable Member is referred to the reply to Mr. Govind V. Deshmukh's question No. 32 on February 8th. The immediate cause of death was, I understand, Pneumonia.

(ii) The Government doctors concerned with the case were Col. Bhandari, I.M.S., and Col. Shah, I.M.S. Col. Advani, I.M.S., acted for Col. Bhandari for a short time. In addition to such ordinary treatment as is possible in the case of an elderly patient suffering from chronic heart weakness, special measures such as the taking of cardiograms were employed when necessary and, as a last resort, a course of penicillin treatment was flown to Poona from Calcutta. A relative, Miss Manu Gandhi, was brought into the Palace to help in looking after Mrs. Gandhi after the release of Mrs. Sarojini Naidu in March, 1943. Trained nurses were made available for a short period in December, 1943; and after that Government agreed to allow Mrs. Jai Prakash Narain and Mr. Gandhi's grand-nephew, Kanu Gandhi, to live in the Palace to help in nursing her.

(iii) Dr. Sushila Nayyar was in the Aga Khan's Palace throughout; Dr. Gilder was also there from February 1943 onwards. During her last illness Mrs. Gandhi was also treated by Dr. Dinshaw Mehta and there was a consultation with Dr. Jivraj Mehta. For a short period in February she was treated, at her own request and that of Mr. Gandhi, by a well-known Ayurvedic physician of Lahore, Dr. Sharma.

(iv) From the beginning of December, 1943, when her last illness started, relatives were allowed to visit Mrs. Gandhi and a considerable number of them did so.

(v) Mr. Gandhi expressed the wish either that there should be a public funeral, in which case he would not attend the ceremony himself, or that the funeral rites should be performed in the grounds of the Aga Khan's Palace, in

which case relations and close friends should be allowed to be present. The latter alternative was adopted and the funeral took place accordingly in the presence of about 100 friends and relatives.

Mr. Badri Dutt Pande: In view of the fact that Mahatma Gandhi has lost two of his nearest and dearest life partners, one his Secretary and the other his wife, is it the intention of the Government to remove him to another place for he must be feeling very lonely where he is at present?

The Honourable Sir Reginald Maxwell: That will be considered.

Pandit Lakshmi Kanta Maitra: Is it not a fact that both the Doctors, Dr. Nayyar and Dr. Gilder, were detained in the same place with Mahatma Gandhi and there was no case for having private practitioners for consultation?

The Honourable Sir Reginald Maxwell: As I said, Dr. Sushila Nayyar was in the Aga Khan's Palace throughout from the very first day of his detention. Dr. Gilder was there from February 1943 onwards.

Pandit Lakshmi Kanta Maitra: Was not Dr. Jivraj Mehta also a detainee in the same place?

The Honourable Sir Reginald Maxwell: No, Sir.

Mr. Govind-V. Deshmukh: But he is a detainee although he may not be in the same place.

The Honourable Sir Reginald Maxwell: I think so; I am not quite sure.

Pandit Lakshmi Kanta Maitra: What I wanted to know from the Honourable Member was whether any private practitioner, who was not a guest of His Majesty's penitentiary, allowed to call on her?

The Honourable Sir Reginald Maxwell: I have already said that Dr. Sharma was allowed to attend Mrs. Gandhi at Mr. Gandhi's request.

Pandit Lakshmi Kanta Maitra: Was he sent at the instance of the Government of India?

The Honourable Sir Reginald Maxwell: No; at the request of Mrs. Gandhi and Mr. Gandhi.

Mr. Badri Dutt Pande: Why was not Dr. Bepin Chandra Roy, in whom both of them have great confidence, allowed to see Mrs. Gandhi?

The Honourable Sir Reginald Maxwell: I do not think any specific request was made for him.

CONDOLENCE MESSAGES TO MAHATMA GANDHI.

427. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable the Home Member be pleased to state if Mahatma Gandhi has been permitted to receive messages of condolence sent to him from all parts of the country and outside? Have the Government of India sent any such message to the Mahatma? (b) Have Government given him permission and facilities for replying to any such messages, if considered necessary, by him?

The Honourable Sir Reginald Maxwell: (a) The answer to the first part of the question is in the affirmative and to the second part in the negative.

(b) Mr. Gandhi has been allowed to reply to condolence messages from his relatives but not to those from others. Government have, however, offered, in any case where he wished this to be done, to inform the sender that the message had been conveyed to him.

Pandit Lakshmi Kanta Maitra: Do I take it that if Mahatma Gandhi wanted to reply to any of the messages, he would first have to take permission from Government?

The Honourable Sir Reginald Maxwell: Not in reply to condolence messages from his relatives.

Pandit Lakshmi Kanta Maitra: Was he given to understand that in case he wanted to reply to his condolence messages he was free to do that without reference to this Government?

The Honourable Sir Reginald Maxwell: I have already answered that part of the question.

Pandit Lakshmi Kanta Maitra: The Honourable Member simply said that so far as the replies to messages coming from his relatives were concerned, he

was given free permission. I want to know whether he was given free permission to reply to any messages other than those from his relatives without any previous reference being made to Government?

The Honourable Sir Reginald Maxwell: I have already said that Mr. Gandhi was not allowed to reply to condolence messages from persons other than his relatives but that Government had offered, if he so desired, to inform the senders of the messages that they had been conveyed to him.

Mr. K. C. Neogy: Does that reply cover messages of condolence, which are reported to have been sent by the present Viceroy and also by Lord Halifax?

The Honourable Sir Reginald Maxwell: I am afraid I know nothing about that.

STATEMENT IN AMERICA BY INDIA'S AGENT GENERAL CONCERNING MRS. GANDHI'S DETENTION AND DEATH.

428. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable the Home Member be pleased to say if he is aware that a statement to the following effect was made by Sir Girja Shankar Bajpai, the Agent General of India in the United States of America, before the American public soon after the death of Mrs. Kasturabai Gandhi: "At various times the Government of India considered her release from detention for health reasons, but she wished to remain with her husband and her wishes were respected"?

(b) Was this statement made with the knowledge and authority of the Government of India?

(c) On what occasions did the Government of India consider her release from detention for health reasons? On how many occasions was offer for her release from detention made to her and she declined?

(d) Has the attention of Government been drawn to the following part of the Press statement, dated February 28th, issued by Mr. Devadas Gandhi from Allahabad in which he said:

"Would her release from prison during the last serious stage of her illness have helped? . . . But the fact remains that she never had the benefit even of the psychological aspect of an offer of release, except the last merciful one from the maker. I was, therefore, shocked and amazed to find that the Agent of the Government of India in America has made a statement to the effect that the Government of India had wished on several occasions to release her but she had refused to avail herself of the offer. This is even contrary to the official announcements made on the point in India and I have seen no explanation so far for the different version put out in America"?

(e) If the answer to (d) is in the affirmative, is the Honourable Member in a position to contradict the statement that no-release offer was ever made to her at any time?

(f) If the statement of the Agent General is inaccurate, does he propose to issue a contradiction of it? If not, why not?

The Honourable Sir Reginald Maxwell: (a) and (b). The Honourable Member is referred to the replies given by the Foreign Secretary to questions Nos. 381 and 382 on March 13th.

(c) The question of releasing Mrs. Gandhi was first considered in September, 1942, when she had her first heart attack after detention. It was again considered when she had further attacks after Mr. Gandhi's fast and also during her last illness. On all these occasions, for the reasons already made public, it was decided not to release her. The second part of the question does not arise.

(d) Yes, but as already stated in answer to questions in this House, the Agent General made no such statement.

(e) I have already made it clear that there was no offer of release.

(f) This reply and the replies given by the Foreign Secretary on March 13th should be sufficient to remove any misunderstanding that may have arisen.

Pandit Lakshmi Kanta Maitra: What steps do Government propose to take to remove the misunderstanding created in America by this report?

The Honourable Sir Reginald Maxwell: Government can do nothing to remove misunderstandings in other people's minds.

EXTERMENT OF STUDENTS OF BENARES HINDU UNIVERSITY.

429. *Mr. Lalchand Navalrai: (a) Will the Honourable the Home Member be pleased to state if some students of the Benares Hindu University were externed from Benares district at the time of 1942 disturbances at Benares? If so, was any period fixed for which they were externed? If not, why not?

(b) What was the number of students so externed, and to which places did they belong?

(c) What was the crime committed by them, and was any enquiry made with regard to it? If so, who made that enquiry, and was any evidence recorded?

(d) Do Government propose to remove the ban imposed on these students? If not, why not?

The Honourable Sir Reginald Maxwell: (a), (b) and (c). No action of this nature was taken by the Government of India.

(d) If any such orders were made by the Provincial Government, it will be for that Government to decide whether, and if so, when, circumstances allow of their relaxation.

Mr. Lalchand Navalrai: Are we not entitled to get information as to what is happening in the other Provinces from the Central Government?

The Honourable Sir Reginald Maxwell: No, Sir, not in all cases. We cannot be a universal encyclopædia.

Mr. Lalchand Navalrai: Did the Honourable Member make any attempt to get this information to be given to the House?

The Honourable Sir Reginald Maxwell: Yes, Sir, I did, but I have not got it.

DISSATISFACTION OVER REQUISITIONING OF PRIVATE HOUSES.

430. *Mr. Lalchand Navalrai: (a) Will the Honourable the Defence Member be pleased to state if there is a general cry and dissatisfaction in the country on the working of the Defence of India Rules with respect to the exercise of rule 75-A by which people are deprived of their houses and the same are let out to Government's civil servants on the ground that they render service for the military?

(b) What is the policy of the Government of India in such cases?

Sir Charles Ogilvie: (a) and (b). In a small number of cases, accommodation has been requisitioned for Government servants in civil employment, not on the ground that they render service to the military, but on the ground that it is essential that they should be enabled to live in the station where they have to work, and accommodation cannot be found otherwise. Government are aware that there has been some criticism, but it will be appreciated that it is as important to provide for the essential requirements of civil Government organisations that cannot be moved elsewhere as it is to provide for military organisations.

Mr. Lalchand Navalrai: Is the Honourable Member aware that in Madras a house belonging to a gentleman, who was living in it with his family and who had recently purchased it, was evacuated for the District Magistrate of that place?

Sir Charles Ogilvie: I have not heard of that particular case.

Mr. President (The Honourable Sir Abdur Rahim): I disallowed that question.

Mr. Lalchand Navalrai: Will the Honourable Member make inquiries and let us know whether the houses of these persons who are living in them with their families for a long time can also be evacuated under the Defence of India Act?

Sir Charles Ogilvie: I am afraid I cannot guarantee that.

Sardar Sant Singh: Is the Honourable Member aware that houses are being requisitioned for purposes other than military and for private employees?

Sir Charles Ogilvie: No, Sir, I am not so aware.

Sardar Sant Singh: Is the Honourable Member aware that in this very town a house has been requisitioned for the employees of the Statesman?

Sir Charles Ogilvie: I am not so aware.

Sardar Sant Singh: Will the Honourable Member kindly make an inquiry in the matter?

Sir Charles Ogilvie: Yes, Sir.

REMOVAL OF MR. J. NIGAM AND MR. RIAZUDDIN AHMAD KHAN FROM THEIR SERVICES.

431. *Pandit Lakshmi Kanta Maitra: (a) Will the Honourable the Home Member be pleased to state if it is a fact that Mr. J. Nigam, I.C.S., Magistrate and Collector, and Mr. Riazuddin Ahmad Khan, Superintendent of Police, have been removed from the Indian Civil Service and the Indian Police Service respectively?

(b) When were they placed under suspension? Where were they posted at the time of their suspension?

(c) What were the charges against them? Who brought the charges?

(d) Was any judicial enquiry held in connection with their cases? If so, what are the findings?

(e) What opportunities, if any, were given to them to explain the charges against them?

(f) How long had they been in Government service?

(g) What was the scale of salaries drawn by them at the time of their suspension?

(h) Are these dismissed officers entitled to any pension for their past service? If so, what are the amounts of such pension?

(i) What pay, if any, are they entitled to for the period of their suspension?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) On the 13th and the 30th November, 1942, respectively, while they were on leave.

(c) It will not be in the public interest to disclose the information. The charges were brought against those officers by the Government of the United Provinces.

(d) and (e). The enquiry was a departmental one held in accordance with the procedure laid down in rule 55 of the Civil Services (Classification, Control and Appeal) Rules. Full opportunity to defend themselves was given as required by that Rule.

(f) 18 years, 2 months and 5 days and 30 years, 6 months and 25 days, respectively.

(g) Rs. 1,900 a month and Rs. 1,000 a month, respectively.

(h) No, but they have been granted compassionate allowances equivalent to two thirds of the invalid pension which they would have received had they been retired on medical certificates. The amounts are Rs. 4,266-10-8 a year with a minimum of £400 a year, if the allowance is drawn in England, in the case of Mr. Nigam, and Rs. 333-5-0 a month in the case of Mr. Khan.

(i) They are entitled to subsistence grants as follows:

Mr. Nigam—Rs. 666 a month.

Mr. Khan—At such rate as the suspending authority may direct, but not exceeding one-fourth of his pay.

Pandit Lakshmi Kanta Maitra: May I know if these officers were removed with the concurrence of the Secretary of State for India?

The Honourable Sir Reginald Maxwell: They were removed by the Secretary of State.

Pandit Lakshmi Kanta Maitra: Was the departmental enquiry held at the instance of the Honourable the Home Member?

The Honourable Sir Reginald Maxwell: No, Sir.

DETENTION OF CERTAIN SIKH WORKERS.

432. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state if the following Sikh workers have been detained in jails under rule 26 of the Defence of India Rules:

(1) Jathedar Udham Singh Negote, (2) Sardar Ishar Singh, Mughel, (3) Sardar Darshan Singh, Pheruman, (4) Sardar Partap Singh, M.L.A. (Punjab),

(5) Sardar Chanan Singh, M.L.A. (Punjab), (6) Giani Gurmukh Singh Musafir, (7) Sardar Sohan Singh, Jalal Usma, (8) Sardar Narinjan Singh, Talib, (9) Sardar Mehar Singh, (10) Sardar Avtar Singh, Sidha, (11) Master Mota Singh, (12) Master Sohan Singh, (13) Sardar Satwan Singh, (14) Master Kabul Singh, M.L.A. (Punjab), (15) Giani Shankar Singh, (16) Sardar Waryam Singh, Sultanwind, (17) Master Ram Singh, (18) Sardar Ajit Singh, Bhusa, (19) Sardar Jagjit Singh, Wereman, (20) Sardar Darshan Singh, Sultanwind, (21) Sardar Janmeja Singh, Sultanwind, (22) Sardar Bhagat Singh, Khaparkheri, (23) Sardar Bachint Singh, Rurka Kalan, (24) Sardar Surain Singh, Shahid, (25) Sardar Nazir Singh, (26) Sardar Shiv Singh, Buraj, (27) Sardar Jagindra Singh, Shaut, (28) Sardar Uttam Singh, Khatra Kalan, (29) Sardar Mota Singh, Jagdev, (30) Sardar Harnam Singh, Pheruman, (31) Sardar Harnam Singh, Khojaki Pur, (32) Giani Surendra Singh, (33) Giani Kartar Singh, Tarantaran, (34) Sardar Sadhu Singh, Sangar, (35) Sardar Kartar Singh, Chaha, (36) Sardar Hukam Singh, Akel Gadda, (37) Sardar Sodagar Singh, Jora, (38) Sardar Jodh Singh, Khara, (39) Sardar Teja Singh, Thathikhara, (40) Sardar Khem Singh, Sorh, (41) Sardar Gurbakhsh Singh, Pheruman, (42) Baba Makhan Singh, Werka, (43) Sardar Amar Singh, Dehriwala, and (44) Sardar Banta Singh, Dhurka? If so, how many of them have been so detained under the orders of the Central Government and how many under the Provincial Government?

(a) When were their cases reviewed last?

(c) Have they been served with charge sheet under the amended rule 26 of the Defence of India Rules? If so, have their replies been received? If so, when will the decision be taken?

(d) Is it a fact that many persons detained under rule 26 of the Defence of India Rules have been released under the orders of the Central Government or the Provincial Government during the last six months? How many of the released persons have been Sikhs?

The Honourable Sir Reginald Maxwell: (a) Of the persons mentioned only six appear to have been detained under the orders of the Central Government, but owing to the similarity of Sikh names, it is impossible to be certain unless further details can be given. I have no information about the remainder.

(b) and (c). I can only answer for Central Government Security Prisoners. All of these have been informed of the grounds for their detention and their representations are being considered when received. All decisions will be taken before July 15th which is the date on which the present orders against them will expire unless specifically extended.

(d) Yes. I have no information about the number of Sikhs released by the provinces. 3 Sikhs have been released by the Central Government or by the Chief Commissioner during the last six months.

Sardar Sant Singh: After a long service of over thirty years in this country, the Honourable Member ought to be familiar with Sikh names. However, may I ask the Honourable Member if he will make enquiries from the Provincial Governments as to the nature of the detention order passed against them and as to the percentage of Sikh prisoners released as compared with the number of Hindu and Muslim prisoners released?

The Honourable Sir Reginald Maxwell: There is no principle of communal representation in regard to the prisoners detained or released.

Mr. N. M. Joshi: With reference to part (b) may I ask who reviews these cases?

The Honourable Sir Reginald Maxwell: They are being reviewed by the Central Government or the Provincial Government, as the case may be; it depends upon the authority which ordered the detention.

Mr. N. M. Joshi: May I ask whether it is the same authority which detained them which reviews cases or the Government of India try to get some fresh light thrown on these cases in review?

The Honourable Sir Reginald Maxwell: No, Sir. It is for the authority which passed the detention order to review cases. The Central Government has no revisional power in the matter.

Sardar Sant Singh: May I know who are the Sikh prisoners out of this list who have been detained under the orders of the Government of India?

The Honourable Sir Reginald Maxwell: Those who appear to have been detained under the orders of the Government of India are named:

(1) Jathedar Udham Singh, Negote (2) Sardar Narinjan Singh, Talib (3) Sardar Waryam Singh, Sultanwind (4) Sardar Sadhu Singh, Sangar (5) Sardar Teja Singh, Thathikara and (6) Sardar Amar Singh, Dheriwala.

Sardar Sant Singh: May I know when the cases of these six prisoners were reviewed by the Government of India?

The Honourable Sir Reginald Maxwell: I did not say that they have all been reviewed. I said their representations are being considered when received. I think some have been received and some not received.

Mr. Lalchand Navalrai: May I know if there is any fixed rule prescribing which persons can be detained by the Central Government and which by the Provincial Government?

The Honourable Sir Reginald Maxwell: I may refer the Honourable Member to the Defence of India Rules.

Mr. N. M. Joshi: May I know whether the Government of India will consider the advisability of securing a review of all these cases by some authority independent of the authority which detained these people?

The Honourable Sir Reginald Maxwell: That is a question of policy, to which I cannot reply in answer to a supplementary question.

GOVERNMENT COUNSEL AT COURTS MARTIAL.

433. *Sardar Sant Singh: Will the War Secretary please state the number of Advocates-General employed by the Defence Department for conducting proceedings before the courts martial constituted under the Army Act? How many of them are B.A., LL.B.'s, or Barristers of any of the Inns of Court?

Mr. C. M. Trivedi: The only legal Department of the Army is the Department of the Judge Advocate General consisting of 51 officers. In important court-martial cases an officer of this Department sits with the Court as adviser on law and procedure. Officers of this Department are either regular officers who have specialised in Military Law or Emergency Commissioned Officers with legal qualifications.

No separate establishment of officers is maintained for conducting proceedings before courts-martial, either for the prosecution or the defence. On the staff of larger formations there are, however, Staff Officers with legal experience, who are concerned solely with court-martial work. The conduct of prosecutions in important cases is entrusted to such officers or in rare cases to an officer of the Judge Advocate General's Department. In other cases an officer is always employed to conduct the prosecution and an officer is available in every case to represent the accused.

Sardar Sant Singh: May I know what is the legal training which these officers have got, whether they have been trained in any University or in any of the Inns of England?

Mr. C. M. Trivedi: I have said that the officers of the Judge Advocate General's Department are either regular officers who have specialised in Military Law or Emergency Commissioned Officers with legal qualifications, obtained either in India or in England, i.e., either LL.B.'s or Barristers-at-Law.

Sardar Sant Singh: May I know how many of them are Barristers and how many of them have legal training in any of the Universities in India?

Mr. C. M. Trivedi: I have not got the information readily available.

Sardar Sant Singh: The question is asked how many of them are B.A.'s, LL.B.'s or Barristers of any of the Inns of Court?

Mr. C. M. Trivedi: I will try to get the information.

RETENTION OF SECOND DIVISION CLERKS IN POLITICAL AND RAILWAY DEPARTMENTS.

434. *Bhai Parma Nand: Will the Honourable the Home Member be pleased to state:

(a) if it is a fact that the Political and the Railway Departments were excluded from the operation of the Maxwell Report;

(b) if it is a fact that in other civil Departments of the Government of India, Second Division has been abolished, but in the above-mentioned Departments it is still maintained;

(c) if the replies to (a) and (b) are in the affirmative, the number in each of the Departments, separately, of the Third Division Clerks who are governed by the Rs. 60—2—80—3—125 scale;

(d) if it is a fact that some Third Division Clerks who have been officiating in the Second Division in these Departments for more than two years, have not been confirmed in that Division, in spite of some permanent vacancies having occurred in their respective Departments; and

(e) if the Honourable Member is prepared to issue clear instructions to these Departments to confirm the deserving Third Division Clerks governed by the Rs. 60—2—80—3—125 scale, in the Second Division; if not, why not?

The Honourable Sir Reginald Maxwell: (a) The Railway Department was at first excluded from the scope of the Report of the Government of India Committee on Secretariat Organisation and Procedure but the scheme suggested therein was subsequently adopted by that Department. The Political Department is not a Department of the Government of India and the question of applying the Report to the Political Department does not therefore arise.

(b) The Second Division is in process of abolition in the various Departments of the Government of India including the Railway Department.

(c) There are 4 clerks in the Railway Department drawing pay in the scale of Rs. 60—2—80—3—125.

(d) No.

(e) Instructions have already been issued that deserving Third Division Clerks on Rs. 60—125 scale should be considered for promotion to the Second Division.

STATEMENT IN AMERICA BY INDIA'S AGENT GENERAL CONCERNING MRS. GANDHI'S DETENTION AND DEATH.

435. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) whether the attention of Government has been drawn to the press statement made by Sir Girja Shankar Bajpai, Agent General in the United States of America, immediately after the death of the late Mata Kasturba Gandhi wherein he is reported to have said "At various times the Government considered her release from detention for health reasons but she wished to remain with her husband and her wishes were respected";

(b) whether Government ever made any offer of release to her, and what her reactions were to such offer or offers; and

(c) whether these offers were conditional, and what reply she gave to Government regarding these offers?

The Honourable Sir Reginald Maxwell: The Honourable Member is referred to my answer to question No. 428 by Pandit Lakshmi Kanta Maitra and also to the replies given by the Foreign Secretary on March 13th to questions Nos. 381 and 382.

Sardar Mangal Singh: May I know whether the reports of her illness were sent to the Secretary of State from time to time?

The Honourable Sir Reginald Maxwell: So far as I recollect, yes, Sir. Questions have also been answered in Parliament on this subject.

DESIRABILITY OF CLASSIFYING DELHI AS AREA 'A' FOR DEARNESS ALLOWANCE PURPOSES.

436. *Mr. Lalchand Navalrai: Will the Honourable the Finance Member be pleased to state:

(a) whether Calcutta, Bombay and Cawnpore have been classed as Area A for the purpose of determining the amount of dearness allowance granted to Central Government servants;

(b) whether Delhi has been placed in Area B for the same purpose;

(c) whether Delhi is considered less expensive than Cawnpore; if so, in what respects;

(d) the factors which determine the classification of a city into a particular Area;

(e) whether Government are aware that the population of Delhi has increased from three lakhs in the pre-war days to nearly ten lakhs as disclosed by the recent census taken by the Delhi Rationing Authorities;

(f) whether Government are aware that the cost of living in Delhi has enormously increased owing to the great number of troops, British, Indian, American and other United Nations, having been stationed there;

(g) whether Government are aware that Delhi is now-a-days considered as more costly in every respect than even Bombay and Calcutta;

(h) whether Government have got an organisation to work out the cost of living index for the Presidency towns and other big towns like Delhi;

(i) if the answer to (h) be in the affirmative, the pre-war and the present cost of living index of Bombay, Calcutta, Cawnpore and Delhi; and

(j) whether Government are prepared to consider the advisability of placing Delhi in Area A like Bombay and Calcutta for the purpose of Dearness Allowance; if not, why not?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). There is no difference in classification between Delhi and Cawnpore for the purpose of dearness allowance to Central Government servants. Both towns are in area B. Calcutta and Bombay are in area A.

(d) When in August, 1942, the Central Government framed an All-India scheme of dearness allowance for Central Government servants, they adopted the basis of classification already in use for the fixation of pay in the Department of Posts and Telegraphs considering that it reflected generally the relative expensiveness of living in the respective areas. Slight modifications in this basis have been made for the purpose of dearness allowance from time to time.

(e) and (f). Yes.

(g) No.

(h) The Governments of Madras, Bombay and Bengal have an organisation to work out the cost of living index for the Presidency towns. The Government of India have recently set up machinery for the framing of indices for certain other major towns in the country.

(i) A statement is placed on the table showing the required figures in respect of Bombay, Calcutta and Cawnpore; but no index has so far been constructed for Delhi. In furnishing this information I should add that it is inadvisable to rely on the existing provincial series for an inter-provincial comparison of the fluctuation of the cost of living, since the compilation of the index number, the collection of price data and the family budget enquiries on which they are based differ considerably from province to province.

(j) Government are not satisfied that on the merits the reclassification suggested is warranted.

Statement showing cost of living indices

Place.	Base of the index.	Index for August 1939.	Latest figure available.
1. Bombay	Average for the year ending June 1934-100	105	247 for December 1943.
2. Calcutta	August 1939 100	100	258 for October 1943.
3. Cawnpore	August 1939 100	100	309 for December 1943.

Mr. Lalchand Navalrai: What is the difference in classification between Bombay, Calcutta and Delhi based upon?

The Honourable Sir Jeremy Raisman: It is based on the relative cost of living.

Mr. Lalchand Navalrai: Is the cost of living in Delhi lower than in Bombay and Calcutta?

The Honourable Sir Jeremy Raisman: That is the ground of the differentiation.

Mr. Lalchand Navalrai: Has the Honourable Member made inquiries to that effect and found out that that is the distinction?

The Honourable Sir Jeremy Raisman: Yes, Sir.

PROGRAMME FOR EXPANSION OF ALL-INDIA RADIO.

437. *Mr. T. T. Krishnamachari: Will the Honourable Member for Information and Broadcasting be pleased to state:

(a) whether his Department has drawn up any programme for expansion of the All-India Radio as soon as circumstances will permit; and

(b) whether such plans, if any, include the stimulation of the Radio industry in this country?

The Honourable Sir Sultan Ahmed: The matters referred to by the Honourable Member are at present under the consideration of the Government of India.

Pandit Lakshmi Kanta Maitra: Is it not a fact that some time ago research was undertaken in the Honourable Member's Department for the manufacture of cheap radio sets and it was given up for want of funds?

The Honourable Sir Sultan Ahmed: Not in my Department. The question of manufacture of cheap receivers in India was taken up by the Radio Research Committee of the Board of Scientific and Industrial Research under the Department of Industries and Civil Supplies. Their report is under examination in that Department.

Pandit Lakshmi Kanta Maitra: Have Government provided free radio sets to the countryside?

The Honourable Sir Sultan Ahmed: As many as were available have been provided.

Pandit Lakshmi Kanta Maitra: My question is, apart from the Province of Delhi have the Government of India been able to provide free radio sets to other Provinces, particularly the countryside?

The Honourable Sir Sultan Ahmed: I shall require notice of that question.

STATEMENT IN AMERICA BY INDIA'S AGENT GENERAL CONCERNING MRS. GANDHI'S DETENTION AND DEATH.

438. *Mr. K. O. Neogy: Will the Honourable the Home Member be pleased to state whether there is any truth in the statement reported to have been made by the Agent-General of the Government of India in America to the effect that Government had wished on several occasions to release the late Mrs. Gandhi but that she had refused to avail herself of the offer?

The Honourable Sir Reginald Maxwell: The Honourable Member is referred to my answer to question No. 428 by Pandit Lakshmi Kanta Maitra and also to the replies given by the Foreign Secretary on March 13th to questions Nos. 381 and 382.

DETENTION OF MR. SATYANARAYAN SARAF OF HISSAR.

439. *Mr. Ananga Mohan Dam: Will the Honourable the Home Member please state:

(a) if he is aware of the fact that Mr. Satyanarayan Saraf, B.A., LL.B., Pleader of Hissar, who belonged to the Anti-Fascist Front of the Radical Democratic Party had been detained on the 9th August, 1942, under Rule 129 of the Defence of India Rules, which was subsequently changed on the 15th August to Rule 26 of the Defence of India Rules which has been declared *ultra vires* by the Federal Court of India and High Courts of Provinces;

(b) if the answer to (a) be in the affirmative, whether his application to the High Court of Lahore under Section 491, Criminal Procedure Code, on the 20th October, 1942, was taken into consideration, and if similar applications made to the Chief Secretary, Government of the Punjab in October, 1942, and to the

Honourable Premier, Punjab, on the 5th December, 1942, had also been considered;

(c) if he proposes to enquire about his case and find out if his statements in the applications are correct, in which he has emphasised the fact that all his activities were for the support of war efforts and against Fascism; and

(d) in case his submission be substantiated, whether the Honourable Member proposes to recommend his release without delay?

The Honourable Sir Reginald Maxwell: Sir, with your permission I will answer questions Nos. 439 and 440 together.

Mr. Satyanarayan Saraf appears to have been detained by the Punjab Government. I have no information regarding his case which is a matter for the Provincial Government.

DETENTION OF MR. SATYANARAYAN SARAF OF HISSAR.

†440. ***Mr. Ananga Mohan Dam:** Will the Honourable the Home Member be pleased to state:

(a) why Mr. Satyanarayan Saraf was not released on parole when his father was seriously ill and his uncle died; and

(b) why his family was not given maintenance allowance as is required, on account of which they had to live by selling his furniture and valuable law books and the education of his eldest son and of the younger dependent brother had to be stopped?

OPERATION OF PUNJAB URBAN RENT RESTRICTION ACT IN DELHI.

441. ***Mr. Kailash Bihari Lall:** Will the Honourable the Home Member be pleased to state:

(a) if the House Rent Control Order is applicable to all the parts of Old Delhi; if not, what parts or Mohallas are subject to its application;

(b) if the Punjab Urban Rent Restriction Act, 1939, is applicable to Delhi;

(c) if it is not a fact that under the Punjab Urban Rent Restriction Act no landlord can enhance the rent or eject a tenant except only when he requires the holding for his own use;

(d) if Government are aware that landlords in Delhi have got the rent enhanced on the threat of ejectment under the pretext of personal use of the holding;

(e) if it is a fact that since the application of the Punjab Urban Rent Restriction Act, 1939, to the Delhi area, the number of ejectment suits have gone very high;

(f) the comparative figures of the number of ejectment suits for the period before and after the application of the said law in Delhi, separately;

(g) if Government are aware that landlords are harassing the tenants in all possible ways for vacating the holdings, and in some cases information of cognizable offences has been lodged by the tenants before the police; and

(h) if Government are aware that landlords in Delhi are charging exorbitant rents from new tenants, and that there is no effect of any law on them nor do they grant any receipt for high abnormal rents?

The Honourable Sir Reginald Maxwell: The question should have been addressed to the Honourable the Labour Member.

EXPORT SURPLUS SINCE FREEZING OF DOLLAR RESOURCES IN INDIAN HANDS.

442. ***Mr. T. T. Krishnamachari:** Will the Honourable the Finance Member be pleased to state:

(a) the total amount of export surplus that accrued to India from the date when dollar resources in Indian hands were frozen, viz., 23rd September, 1941, till the end of 1943, arising out of trade with the Empire countries (other than United Kingdom) and foreign countries;

†For answer to this question, see answer to question No. 439.

(b) how these surpluses were disposed of, and whether they were converted into sterling; and

(c) if the answer to (b) is in the affirmative, whether these sums are included in the weekly statements of the Reserve Bank of India showing its sterling assets?

The Honourable Sir Jeremy Raisman: (a) I would invite the attention of the Honourable Member to the published monthly Accounts relating to the Seaborne Trade and Navigation of British India.

(b) In the case of difficult currencies, such as U. S. A. dollars, the procedure is as I explained in reply to parts (b) and (c) of the Honourable Member's question No. 297 on the 2nd March, 1944. Any surplus arising from a favourable balance of trade in the course of a year would be credited to India in sterling. In cases where India's trade balance with a difficult currency country is unfavourable the requisite currency is supplied from the Empire pool and recovered from India in sterling.

(c) All accruals to India of sterling in England from whatever source are eventually reflected in the sterling balances of the Reserve Bank.

LETTER OF TAJ COMPANY OF LAHORE TO MAULANA ABUL KALAM AZAD.

443. ***Maulana Zafar Ali Khan:** Will the Honourable the Home Member please state:

(a) whether it is a fact that the Taj Company Limited, a Muslim publishing firm of Lahore, recently addressed a letter to Maulana Abul Kalam Azad at present under detention and requested the Honourable Member to transmit the letter to the Maulana;

(b) whether it is also a fact that the letter was of a purely business nature and only asked permission from Maulana Abul Kalam Azad to print and publish a popular edition of his Exegesis of the Holy Quran which has become so rare that its price, Rs. 7, has shot up to Rs. 30;

(c) whether it is further a fact that the Home Department refused to forward the letter, in question, to Maulana Abul Kalam Azad; and

(d) if the answer to (c) of the question is in the affirmative, the reasons for refusing to forward a purely business letter to the Maulana?

The Honourable Sir Reginald Maxwell: (a) to (c). Yes.

(d) The letter was withheld in accordance with the rule under which correspondence with members of the Congress Working Committee is restricted to private and domestic matters with members of their families.

Mr. Govind V. Deshmukh: With reference to part (b), was permission refused to the publication of the Holy Quran as was sought in the letter?

The Honourable Sir Reginald Maxwell: It is not a case of giving or refusing sanction to the publication of the Holy Quran but of passing a certain communication of a business nature.

Mr. Govind V. Deshmukh: Could not an inquiry be made from Maulana Azad about this request as to whether he would allow the publication of the Holy Quran as was asked for in the letter?

The Honourable Sir Reginald Maxwell: I have explained that members of the Working Committee who are under detention are not allowed to have correspondence or dealings with members of the general public. Their dealings are restricted to private and domestic correspondence.

Sardar Mangal Singh: Cannot the members of the Working Committee even look after their private property? The translation was done by Maulana Azad and if the Holy Quran is published we stand to gain.

The Honourable Sir Reginald Maxwell: Members of the Working Committee and other persons under detention are like Government servants; they are not allowed to carry on business.

BRITISH AND FOREIGN EXPERTS EMPLOYED BY GOVERNMENT.

444. ***Sardar Sant Singh:** (a) Will the Honourable the Home Member please state the number of British or other foreign experts who have been

employed by the Government of India as Advisers, etc., and the Departments in which they are working?

(b) What are the qualifications of these experts, and the pay they were getting before their employment in the Government of India and the pay they are getting now or were given on their employment by the Government of India?

The Honourable Sir Reginald Maxwell: I would refer the Honourable Member to my reply given on the 23rd February, 1944, to Mr. Ananga Mohan Dam's starred question No. 189.

PERCENTAGE OF MUSLIM AND HINDU STAFF IN SUPPLY DEPARTMENT, ETC.

445. ***Sardar Sant Singh:** (a) Will the Honourable the Home Member please refer to the answer to starred question No. 148, dated the 12th November, 1941, and state the percentage of Muslims and Hindus among officers in the office of the Chief Controller of Purchase and Supply, say, on the 1st October, 1940, 1941 and 1942, and the 1st March, 1943?

(b) What is the total number of peons in the Posts and Air Department? What is the percentage of Muslims and Hindus among these?

(c) What is the percentage of Muslims and Hindus among the so-called military police employed to guard the General Headquarters and allied offices?

(d) If the figures asked for in the preceding parts show that the percentage of Hindus in the said posts is much below what they should have been according to their population in the country, will Government consider guaranteeing a minimum percentage in all services under the Government of India to Hindus, as is done in the case of Muslims, based on population?

The Honourable Sir Reginald Maxwell: (a) It is presumed that the Honourable Member refers to the Purchase Branch of the Supply Department, since there is no such office as that of the "Chief Controller of Purchase and Supply". On that assumption I lay a statement on the table.

(b) Total No. of peons—37, percentage of Muslims 37.9, percentage of Hindus, 59.5.

(c) Muslims—80 per cent. Hindus—20 per cent.

(d) No.

Statement			
Date	Office	Percentage of Muslims	Percentage of Hindus
*1-10-40	Indian Stores Department	16.3	62.8
	Contracts Directorate.	4.3	21.7
1-10-41	*(There was no unified Purchase Branch on this date.)		
	Purchase Branch of the Supply Department.	12.9	50.9
1-10-42	Ditto	26.3	51.2
1-3-43	Ditto	24.1	57.1

COMMUNAL COMPOSITION OF INDIAN AUDIT AND ACCOUNTS SERVICE OFFICERS AT GOVERNMENT OF INDIA HEADQUARTERS, DELHI.

446. ***Sardar Sant Singh:** (a) Will the Honourable the Finance Member please state the total number of officers belonging to the Indian Audit and Accounts Service now working at the headquarters of the Government of India at Delhi? How many of them are Europeans, and how many Indians? Amongst the Indians, how many are Muslims, Sikhs, Hindus, Indian Christians, etc.?

(b) What was the total number of such officers in 1928, 1933, and 1938? What was the communal composition of these numbers then?

(c) Is it a fact that there is no Sikh officer at Delhi? If so, why? Are Government prepared to consider the desirability of appointing a Sikh?

(d) Are Government aware that there is a strong feeling among the Sikhs that their interests are always neglected in such matters?

The Honourable Sir Jeremy Raisman: (a) Hindus, 30; Muslims, 12; other communities, nil: total 42.

(b) The information desired is not readily available and I consider that in present conditions the time and labour involved in collecting it could be spent to better advantage. I may mention, however, that one Sikh officer was in the Finance Department in 1928 and left it about 1933.

(c) Of the two Sikh officers now in the I. A. and A. S., neither is now in Delhi, but one is under orders of posting to Delhi.

(d) No.

Sardar Sant Singh: How is it that there is no Sikh in this Department since 1928?

The Honourable Sir Jeremy Raisman: I have said that there was a Sikh officer in the Finance Department in 1928 and he left it in 1933.

COMPLAINTS ABOUT SUPPLY OF COMMODITIES UNDER SUPPLY SCHEME.

447. ***Sardar Sant Singh:** (a) Will the Honourable the Home Member please refer to his answer to starred question No. 176, dated the 15th November, 1943, and state what action was taken in the cases of complaints received by Government about the qualities of certain commodities supplied under the Supply Scheme? If no action was taken, why not?

(b) With reference to his answer to part (e), what procedure, if any, was followed to verify the statements of the dealers, and with what result? If no action was taken to check these statements, why not?

(c) Is the Honourable Member aware that a number of complaints have been made in the complaint books of Gupta Coal Company at Gol Market, and that every day a number of people go away from their shops?

(d) Is he aware that all these complaints have been so say white-washed by the Supervisory Staff employed by the Home Department? If not, has this man ever been penalised? If so, when and for what offence?

(e) Is the Honourable Member aware that this firm, as well as that of Jamaluddin at Gol Market, evade supplying stuff in the presence of the customers and try to persuade them to accept supply later on the plea of dearth or coolies or supplies?

(f) Is the Honourable Member aware that the dealers in the absence of the customers are able to put in as much small charcoal or coal dust in the supplies as they like, and after the supplies are delivered, the customers are helpless?

(g) Is the Honourable Member aware that in the case of charcoal, not only coal dust but a very large quantity of small pieces of coal, which cannot be retained in an average *angithi*, is supplied, and thus not only is the customer to pay a present day high price but suffer loss on account of wastage?

(h) Is the Honourable Member aware that though there have been no rains for the last several months, still the charcoal being supplied contains a lot of wet charcoal?

(i) Is the Honourable Member aware that the supervisory staff employed by him are unable to help customers against the different dealers?

(j) Is the Honourable Member aware that before this scheme was enforced and supplies were forthcoming, charcoal was separated by dealers into three parts, big enough pieces of charcoal were sold as good charcoal, small pieces of charcoal sold at nearly half the price of the former, and coal dust sold at a nominal price?

(k) Is the Honourable Member aware that now the coal dealer does not have to worry about these things and supplies charcoal from one side of a large heap, supplying the cheaper ingredients along with the good stuff, at the price of good coal?

(l) Is the Honourable Member aware that at Simla and at Delhi too, charcoal was sold as sifted and unsifted, with a difference of two or three annas per maund between the two?

*Answer to this question laid on the table, the questioner having exhausted his quota.

(m) Will steps be taken to enable their staff to get reasonably good supplies of charcoal and other commodities? If any steps have already been taken, what are they?

The Honourable Sir Reginald Maxwell: (a) All complaints are investigated and suitable action taken wherever necessary. Written warnings have been issued to 15 dealers. In 7 cases the whole or a portion of the security deposited by the dealers has been forfeited. In one more case, the agreement with the dealer was terminated and the whole of his security deposit was forfeited. The agreements with 8 other dealers were not renewed after the period of their expiry.

(b) Supplies are usually issued to the retailers in the presence of the Inspectors appointed for the purpose. The retailers for wheat and rice have also been asked not to take delivery of any supplies which are inferior in quality to the approved samples. All disputes between them and the wholesalers are referred to the Inspectors and if their decision is not accepted, to the Supervisor whose decision is final.

(c) and (d). There is no firm known as Gupta Coal Company in Gol Market. The Honourable Member is presumably referring to "Hiralal Gupta and Co.". Complaints have been received that this dealer was supplying inferior qualities of charcoal and soft coke. For this he has been severely warned.

(e) No.

(f) No.

(g) It is true that in some cases charcoal supplied has contained a large quantity of small pieces of charcoal. Efforts are, however, being made to obtain better qualities of charcoal.

(h) No. Almost all charcoal which is now supplied is dry.

(i) No; on the contrary the supervisory staff do their best to help the customers.

(j) and (l). No; such practices might have prevailed before the war, but I have no definite information on these points.

(k) Yes.

(m) Yes. Several steps have already been taken to obtain better qualities of the commodities supplied under the Scheme. The Chief Commissioner is considering the question of reorganizing the present system of obtaining charcoal for Delhi. As regards foodgrains, the tender system has been introduced for obtaining supplies and there are practically no complaints now as regards the qualities supplied.

DESIRABILITY OF SUPPLY OF PULSES, MILK, ETC., AT CONCESSION RATES TO LOWER STAFF.

†448. *Sardar Sant Singh: (a) With reference to starred question No. 180, dated the 15th November, 1943 is the Honourable the Finance Member aware that wheat and rice only, which are being used at reduced rates by the staff getting salary up to Rs. 300, are not the only items on which the staff have to spend money?

(b) Is he aware that pulses, milk, ghee, vegetables, cloth, etc., which are essentials of life, are being purchased at 300 to 400 per cent. increased prices as compared to pre-war ones?

(c) Were the Government of India staff at Delhi being paid 300 or even 200 per cent. more in the form of pay than their actual requirements? If not, do Government consider that the amount of 25 per cent. subsidy on wheat and rice for staff getting up to Rs. 300 per mensem and the maximum dearness allowance of Rs. 11 to staff getting Rs. 125 per mensem, are sufficient to meet the 300 per cent. increase in the cost of living, as stated by him in reply to part (a) of the question under reference?

The Honourable Sir Jeremy Raisman: (a) Yes.

(b) and (c). Government are aware of the rise in prices. Since my reply to the Honourable Member's Starred question No. 180 of the 15th November.

†Answer to this question laid on the table, the questioner having exhausted his quota.

1943, Government have reviewed the situation. While the control measures instituted by Government have checked the rise in prices generally and in regard to several items, particularly cloth, effected a reduction, Government have decided to liberalise the present scheme of dearness allowance and intend to make an announcement in the next day or two.

So far as Delhi is concerned, apart from the relief afforded by the Grain price concession previously mentioned, and the opening of the shops at which Government servants can buy certain household requirements at reasonable prices, it is now proposed to raise the pay limit of eligibility for, and to increase the rates of dearness allowance. It is, however, impossible to compensate every one in full for the rise in prices.

SHORTAGE OF POTATOES AND EGGS IN NILGIRIS.

449. *Sir F. E. James: Will the Secretary of the War Department be pleased to state:

(a) if he is aware that there is a serious shortage of potatoes and eggs in the Nilgiris owing to the demands of the Defence Forces, and that it is causing great inconvenience and hardship to the civil population; and

(b) what steps are being taken by the military authorities and/or by the Government of Madras to ensure that a reasonable supply of these essential commodities is reserved or made available for the civil population in this district?

Mr. C. M. Trivedi: (a) and (b) I am aware of the complaint referred to by the Honourable Member. At the request of the Government of Madras, Headquarters, Southern Army, are limiting the quantity of potatoes taken from the area in question. Local Co-ordination Committees are also being set up to determine the sources of supply which should be tapped and to regulate consumption in order to avoid depletion of the civil markets. The Defence Services have introduced a development scheme whereby it is hoped to make the Army self-supporting so far as vegetables, eggs, poultry and potatoes are concerned. If my Honourable friend wishes any further information, I shall be glad to obtain it for him as far as possible.

Sir F. E. James: Is the Honourable Member aware that although the actual shortage of eggs and vegetables for civil consumption is less than it was the exorbitant prices which are now being charged are in fact limiting the consumption of these essential commodities in the lower income groups to a dangerously low level? I have that by telegram on the authority of prominent persons in the Nilgiris and I should like my Honourable friend to send a copy of this question and his answer to the Madras Government and the military authorities.

Mr. C. M. Trivedi: I will, Sir.

UNSTARRED QUESTION AND ANSWER.

INELIGIBILITY OF POLICE MEN FOR MILITARY SERVICES.

138. **Mr. Kailash Bihari Lall:** Will the War Secretary please state if their are any orders issued by the General Headquarters whereby police men or staff belonging to police are ineligible for military services including commissioned service? If so, does he propose to place a copy of such orders on the table of the House?

Mr. C. M. Trivedi: As regards the first part, orders have been issued to the effect that personnel of the Provincial Police Forces will not be recruited for service in the ranks or for commissions without the prior written consent of appropriate superior officers.

As regards the latter part, copies of orders are placed on the table.

India Army Order 979 of 1942.—Recruiting Indian Army.

It has become most important that the strength of Provincial Police Forces should in no way be depleted.

In no circumstances therefore will members of such Forces be approached with a view to joining or rejoining the Indian Army. If applications are received they will be dealt with in accordance with I.A.O. 2237/41. (Copy below.)

Disciplinary action will be taken against any officer or other rank of the army who disregards this order.

This order will be published every quarter in brigade, area and unit orders.
2. I.A.O. 447/40 is cancelled.

India Army Order 2237 of 1941.—Recruiting Indian Army.

No Government servant of a Civil Department will be considered for appointment to any branch of the Defence Services without the written permission of the head of his Department.
2. Similarly those who resign their civil appointments in order to be free to join the Defence Forces will not be accepted until a written certificate is produced from the head of the Department that the resignation has his concurrence.

3. F.A.O. 1538 current is cancelled.

NOTE.—Orders parallel to India Army Order 2237 of 1941 have also been issued in respect of the Royal Indian Navy and the Air Forces in India.

MESSAGE FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, the following message has been received from the Council of State:

"I am directed to inform you that the Council of State at its meeting held on the 13th March, 1944, agreed without any amendment to the Bill further to amend the Cantonments Act, 1924, which was passed by the Legislative Assembly at its meeting held on the 23rd February, 1944."

THE GENERAL BUDGET—LIST OF DEMANDS—contd..

SECOND STAGE—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now deal with the Demands for Grants. I think it is now the turn of the Independent Party to move their cut motions.

As regards cut motion No. 8 on the final list, in the name of Mr. Abdur Rasheed Choudhury, I find that it is not in order. The Honourable Member wants to move his cut motion under the head 'Central Excise Duties' in order to discuss the imposition of duty on tea and coffee. But, as the Honourable Member is aware, these cut motions are intended to give an opportunity to the House to discuss matters of administration under the existing law and not to discuss any question in respect of any future law sought to be enacted. I understand that there is a Bill relating to duty on tea and coffee which will come up before the House. If that is so, it will give an opportunity to the Honourable Member to discuss the subject.

The next cut motion to be moved is No. 9 on late list No. 1 (Demand No. 12).

Rao Bahadur N. Siva Raj (Nominated Non-Official): Sir, I will have to move cut motion No. 20 (under Demand No. 26) on late list No. 1.

Mr. President (The Honourable Sir Abdur Rahim): I take it, it relates to the Food Department.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Sir, the position is this. The Food Member happens to be also the Vice-Chairman of the Post-war Reconstruction Committee of the Council. Perhaps it is under that impression that the Honourable Member has given notice of this cut motion under the Food Department. I suggest that it would be preferable if this motion is moved under the head 'Executive Council'. There is a cut motion in the name of the Honourable Member under the head 'Executive Council'—No. 9 on late list No. 1.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): How can that be? No money is available under that head.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The cut motion may be amended.

Rao Bahadur N. Siva Raj: May I present my point? I have also given notice of a cut under demand No. 71—Miscellaneous—to discuss Post-war Reconstruction with special reference to the Scheduled Castes. I propose to move this cut motion.

DEMAND No. 71—MISCELLANEOUS.

The Honourable Sir Jeremy Raisman (Finance Member): I think it will be all right. Sir, I move:

"That a sum not exceeding Rs. 2,81,01,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Miscellaneous'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a sum not exceeding Rs. 2,81,01,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Miscellaneous'."

Post-War Reconstruction with special reference to the Scheduled Castes.

Rao Bahadur N. Siva Raj: Sir, I move:

"That the demand under the head 'Miscellaneous' be reduced by Rs. 100."

Sir, it may be a matter of some surprise to the Honourable Members of this House that I should seek to raise a debate on this question of post-war reconstruction with special reference to the community to which I belong. Ordinarily, Sir, in any other country such a thing would look somewhat curious, but here in our country unless steps are taken to see that special provision is made for the people called the 'untouchables' or the depressed classes no scheme of post-war reconstruction will actually redound to the benefit of the community. Sir, I think I had better start this debate by reading out this statement which I find in the Report of the Technical Sub-committee in the department of Roads and Transport:

"Civilization demands that all modern amenities which contribute to the national well-being and a better standard of life should be brought within the reach of all sections of the population."

Starting with that, I should like to examine the schemes that have been made and executed by the Governments in the past and even up to date and see how far such schemes have benefited the members of my community. I think, Sir, such benefits as accrued to the people of this country as a result of the action taken by the administrations, both Provincial and Central, have accrued in a very peculiar proportion. The benefits have accrued to the people in inverse proportion to the co-operation that they have given to the Government or in direct proportion to the condemnation that they have got at the hands of that section.

I can prove it this way. Taking all the schemes that have been introduced so far, whether in the matter of education or in the matter of provision of amenities, like public health, medical services and other things, we have noticed that the last place to be touched and very often never touched are the places where the depressed classes live. It is due either to the fact that those amenities are not allowed to be given to our people on account of a religious scruple or because of an administrative inconvenience or very often because, as they say, of financial difficulty. The object of many of the schemes is to improve, as they say, the standards of the people, but in its actual application, we find that those benefits have never reached us.

Even the other day, Lord Wavell in a speech at Calcutta pointed out the immediate urgency and the necessity for improving the lot of the slums and he probably is under the impression that the slums are to be found only in cities and that the slums are due to industrial causes. It is true so far as the cities are concerned, but the peculiarity of life in our country is that the slums are found not only in the cities but throughout India and if there are 600,000 villages in India there are 600,000 slums which are the places which are unfortunately inhabited by our people. So I wish to suggest to the Government, only categorically, having regard to the time at my disposal, certain things for their consideration.

In the first place they must not run away with the impression that mere preparation of plans and generalizations with regard to post-war reconstruction will be sufficient to improve the lot of our people. A mere enunciation of the policy simply will not do. It must immediately be followed up by certain means and methods which will be concrete and positive. Sir, I take the view that the subject of post-war reconstruction is as important as the

[Rao Bahadur N. Siva Raj.]

war effort itself. In fact in other countries, in the United States and in the United Kingdom post-war reconstruction is going on side by side with the war effort and I think it is also true to say that much of the post-war effort is in a sense a scheme or a part of a scheme of the post-war reconstruction in other countries, so that we in our country must also insist upon the Government of India to see that the post-war reconstruction goes on side by side with the work of the war effort.

Secondly I should insist that the post-war reconstruction or any scheme of post-war reconstruction ought not to be postponed until that happy or unhappy day when we in India are able to form what is called a National Government, because I know that post-war reconstruction is a world event and cannot afford to wait for anybody in particular. Whether or not it is possible for us to establish a National Government, it is essential that the Government of India should take up the question of post-war reconstruction immediately and go on with its work. It is not merely the question of waiting for the formation of a National Government that should stand in the way of post-war reconstruction. I should say that the present Government of India must do its work according to its lights and this work will be judged only later: it cannot be judged now. I am sure if they have been able to do the war effort and if they have been able to carry on the work of the war effort under such great stress and strain and have earned on account of that work the admiration of the United Nations as a whole, I am perfectly confident that the Government of India can do the work of post-war reconstruction equally well and also earn the admiration of the people of India.

The main objective of post-war reconstruction is and should be to remove inequalities in the social, economic and the educational fields: otherwise there is no meaning in saying that we are going to raise the standard of life of the people of India. I know, Sir, that unless the Government of India concentrates its attention upon making particular provision, having regard to the conditions in this country, for the securing of benefits to the scheduled castes, it will not in its mere general scheme of things be able to confer those benefits that they think they would in any scheme of post-war reconstruction. I can only take a few examples and indicate how it may prove to be a mere farce and a sham so far as the scheduled castes are concerned.

Take for instance the improvement of agriculture in India. Now they talk of better manuring: they talk of better marketing: they talk of irrigation facilities; and they also talk of other aids to agriculture. Now having regard to the fact that the land is held in a particular way and that there are three classes of people on the land whom we can roughly divide into the proprietors of land, tenants, and landless labourers, who are the classes of people who will be benefited by the scheme that the Government of India might have in these matters? Certainly only the two classes—the proprietors and possibly a few favoured tenants, and certainly not the landless labourers. Again in the matter of education, we notice that there is what is called the Sargent's scheme. I take leave to point out here that the educational policy of the Government of India has not improved upon, what I call, the ancient Hindu plan of education, which had as its objective, that education should be given only to one particular class and that plan has been adopted in the past by the Government of India. If we examine the policy which has been adopted by the Government of India to spread education, as the means and inclinations of the people permit them to take advantage of education, the result has been that the people who benefited are, firstly, the priestly classes, secondly the merchant classes, and thirdly the salaried classes. But the system of education has left the ordinary worker and people like the scheduled classes and the depressed classes out of it altogether. I am glad to find that my esteemed and able friend, Dr. A. L. Mudaliar, who is the Vice-Chancellor of the Madras University, has made some observations about the Sargent Scheme, particularly with regard to the point of making a selection

of students for the purpose of admission to the High School as fit and not fit. He particularly doubted whether the Sargent Scheme will benefit the poorer classes. He says:

"Assuming the Sargent Scheme was implemented, it must be remembered in the initial stages they were going to bring into the system a large number of youths to whom education was a forgotten factor, who had no instincts for education of their families and who had no hereditary instincts—I will use the word 'rights'—for learning. Unless some special efforts were made for these groups, people, who through no fault of their own but through the injustice of social system that existed so long in this country were backward, would be denied possibilities of any educational advance."

I entirely endorse this view.

With regard to the provision of medical and public health, and other amenities, the scheduled castes suffer under similar handicaps. So I suggest that any post-war scheme to be really of any benefit to the Scheduled Castes must be organised in a different manner from the one in which the Government of India might do. Unfortunately, the Government of India's attitude in all these matters has been traditional. I want the Government of India to put their scheme on a rationalistic basis which will give justice to all sections of the people.

At Cawnpore the All-India Scheduled Castes Conference passed the following resolution with reference to this matter and, with your permission, I will read that resolution:

"This Conference is glad to find that the Government of India is considering questions relating to the reconstruction of India's economic and social life. This Conference at the same time wishes to impress upon the Government of India that reconstruction would be a sham and a mockery if it was not planned in the manner and with a purpose to elevate the economic condition of the Scheduled Castes of India. This Conference authorises the President of the Federation to appoint a Committee to frame an outline of Reconstruction from the point of view of the poor and the working classes of India."

Sir, I may inform this House that we are taking steps to submit a Scheme of Reconstruction to the Government of India. In the meantime we would draw the attention of the Government of India to the necessity of keeping the point of view of the Scheduled Castes and of making a special provision for the securing of the benefits of any post-war reconstruction scheme to these people. It is likely, I do not know what the views of the Government are, it is likely that a post-war reconstruction scheme may be held up for political reasons. We who belong to the Scheduled Castes are anxious that we must take advantage of the time factor and we also know that the world opinion is in favour of all classes like the Scheduled Castes and other poor classes of India. What can stop the raising of the standard of living and the welfare of the poor classes in India will only be the indifferent attitude of the Government. So, I would very much insist upon the Government to take this scheme immediately in hand and proceed at least with the work of the welfare of the Scheduled Castes and to that end I would also ask the Government to institute, if necessary, a separate fund for the development of the schemes for the benefit of the Scheduled Castes. I hope I have impressed upon the Government the necessity for considering a scheme, not merely a general scheme for the whole of India, because it will not benefit the Scheduled Castes, but a special provision be made in all these Reconstruction Schemes so that their benefits are enjoyed by the Scheduled Castes as well. Sir, in view of this I should like also to draw the attention of the Government to the resolutions that were passed in the Nagpur session of the All-India Scheduled Castes Federation in the year 1942. We have seen that in spite of the efforts made from many quarters to remove untouchability no advance has been made, and if any advance is made, it has been made either by individuals or by instructions which has been of some help to certain members of the Untouchables to escape from untouchability, but no scheme, has yet been provided to eradicate untouchability. Our views were, therefore, expressed in a resolution which was passed by the All-India Scheduled Castes Federation at Nagpur, which asked for the establishment of separate agricultural settlements—call it by any name you like—agricultural colonies or villages for the Scheduled Castes—at the expense of the Government and to have Land

[Rao Bahadur N. Siva Raj.]

Settlement Commissioners, if necessary, to settle these depressed classes, particularly on all those lands which are still available and are not cultivated but are cultivable, and to make a provision for other amenities for our people. As I said, Sir, it has not been possible even for Governments in the past to provide amenities for Scheduled castes

Mr. President (The Honourable Sir Abdur Rahim): Honourable Member has one minute more.

Rao Bahadur N. Siva Raj: The point that I should like to stress upon the Government is that problems for the Scheduled Castes should take the first priority in sharing whatever finances may be available or are made available for the post-war reconstruction schemes in India. With these words I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Miscellaneous' be reduced by Rs. 100."

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan Rural): Sir, I rise to support the motion made by my Honourable friend, Rao Bahadur N. Siva Raj. Sir, I do not think it is necessary for me to say that it is not only in greater circles, it is not only in meeting places outside this Assembly but I feel also even in this very Assembly the House is so very meagre on such an important question. I find, Sir, that on the Government Benches there are four Honourable Members. I find that the nominated gentlemen are four or five. I find on the Congress Benches about three or four and of the Muslim League Members there are just more than ten in number. There are only three or four on the Nationalist Party Benches.

An Honourable Member: What about your Party?

Mr. Hooseinbhoy A. Lalljee: Well, Sir, a question has been put to me about my Party. All those who are present here in Delhi are present just now in the House. After all we are very small in number, but those who are in large majority should have been present here. That shows what sort of interest all these great parties and the great Government take in matters relating to poor people of this country, a class of people who suffer so much.

An Honourable Member: How many are there from the European Group?

Mr. Hooseinbhoy A. Lalljee: There are only two gentlemen.

Now, Sir, this is a position of which, I think, we cannot be proud. No less than five crores of people have been put down in this country as untouchables and in their interest this is the interest that is being taken by the Government and the great and different parties opposite who after claim to represent the masses.

(At this stage, Sardar Sant Singh rose to interrupt the Honourable Member.)

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member is not giving way.

Mr. Hooseinbhoy A. Lalljee: As regards reconstruction questions, all honour to those people who have raised these questions; the Europeans and the Americans have raised them.

Sir Muhammad Yamin Khan: Where is Dr. Ambedkar?

Mr. Hooseinbhoy A. Lalljee: Their countries have been destroyed by themselves, their people have been ruined, however, the first care they are taking even in the midst of the war is to see that their people become happier as soon as possible and that they are well fed and well off in every way. This must teach us a lesson. We are ourselves to blame, myself and you all as well as the Government. For more than 200 years of this rule nothing has been done for five crores of people. There is one class of people in Europe and elsewhere who have, owing to their ambitions or otherwise, gone into a bloody war, they have ruined the best of the cities, they have even attempted to ruin many of the countries. They are who are guilty, but there are others who also have only followed them to teach them a lesson, but the first thought that strikes them is to put their house in order at once so that there shall not be a single individual who is not well fed or well off. Now we are going to copy them. Is there any plan laid down for these 5 crores of poor untouchables?

Neither the Government nor my Bombay friends' plan—I have great regard for my Bombay friends—has clearly yet mentioned anything about them while this is the class of persons who first and foremost require redress. My Honourable friend, Rao Bahadur N. Siva Raj, has pointed out that in 600,000 villages in India which is a fact, and I may add that even in this capital town and other capital towns the depressed classes are living not in slums, because slums are for the poor human beings, but in places where often animals are stabled or living, where wild animals are living, many of them are even living in wild jungles. For them, no water, no drainage, no education, no medical relief, still not a word has been said, nor has the Government ever done anything in this respect for them. Is it not a serious question? But this is the position and the kind of interest! There is no provision for these people. I submit that the reconstruction scheme must provide first that none of the people of India shall ever remain as untouchable and live outside the cities and towns and villages. They should not be allowed to remain as they are. They must remain like all others within the busiest parts of the cities and towns and villages so that and then and then only can all concerned realise their true condition, if not out of regard for them, at least for the sake of their own safety, just as in this country many Sahibs do. The Sahibs always are very careful to see whether the servants' quarters are clean, so that the servants living in their compounds are free from diseases and their family members are properly vaccinated, whether there was proper drainage, lest something might happen to them in the bungalow itself which has got a big garden area. Unless we do some such thing I am afraid a sense of reality will never come that they are also human beings, born in this country and forming part and parcel of our own selves.

So far as poor agricultural condition is concerned, Government has realised, and all credit may be given to them—that the country has not sufficient to eat. Now they say they have been trying to improve the lot of the agriculturists and agriculture produce but in that scheme very important attention has to be paid to the working classes, the labouring classes. You cannot do anything tangible for them unless in the reconstruction scheme minimum wages are laid down. Not a word has come from my Honourable friend, the Labour Member, in all these 1½ years of his service—he has done very well, very nicely, in the interests of labour generally, but not a single enquiry or a scheme has been set up in any of the industries or otherwise where minimum wages has been found out and laid down. There are certain industries which are very well off and well organised, but no enquiry or scheme has been set up or come from the Government Benches as to the minimum wages that must be paid to these people in such and such industry, or in such and such undertaking. At least in two of the best industries which are paying heavy dividends, this could have been done, but still nowhere is a minimum wage laid down. I do not know why a minimum wage should not be found out and laid down. In all parts of the world where labour questions come up, the first question that the labour leaders ask is that there should be a minimum wage.

Then come housing, education, medical relief. Nothing has been done in any of these respects. In many of the villages there are no wells, there is no water nearby. Let the Government lay down that in every village there should be a well, that there should be pure water nearby to drink. Many of the villages have not any water facilities. Then about educational facilities. There are people who want, and rightly too, free and compulsory education, but in this country there are classes of people who cannot even afford to send their children to school because on their labour alone the poor people can maintain their families. As soon as a boy is 7 or 8 years old, the father and the mother have to send them to do some work and get an anna or 1½ annas. And if you force them—we have discussed this many a time in Bombay about free and compulsory education—then there will be starvation in the house. The whole family, consisting of the father, mother and two children hardly earn a rupee a day, and if you take away the two children for education purposes, starvation will be the result. Have the Government ever considered that in such cases subsidies are the only remedy? Not a word has been uttered by the

[Mr. Hooseinbhoy A. Lalljee.]

Government or by anybody else on those questions—namely, neither on the minimum wage nor the inability of the parents to send their children to school although they desire that education should be given to them. Children of 7 or 8 years, whether a boy or a girl, have got to earn his own or her own living. This is the condition in which the poorer classes are. Have we ever heard of the Government of India making a provision in the budget for any of these objects? Or have they ever insisted upon the Provincial Governments which have now got provincial autonomy since 1935, to do these things? You have got the same amount of population in Great Britain, about 4½ or 5 crores of people. But they are the richest people of the world. Here the same amount of population in this country is starving, a boy or girl of 7 years has to earn his or her own livelihood, they are half starved, half naked. Great Britain prides itself on the fact that it is her care to look after Indian affairs. During debates on India in the Parliament 30 or 50 members out of 550 attend. But whatever it is, how it is that during these 150 years of British rule in India they have allowed these 5 crores of people to remain in this most pitiable condition as human beings, as compared with the same amount of population in England whom they have made the richest people in the world?

Sir, one feels it and I feel it very much that when such an important question has come up before the House there had been such poor attendance. Of course some of my friends of the Congress party are now here, for whom I have very great regard. So far no special scheme has been drawn up for the benefit of the scheduled castes is a fact and I really congratulate my friend, Rao Bahadur Siva Raj, for drawing the attention of the Government to this matter. In Europe now every attempt is being made to house their people nicely and to attend to all their welfare much better than they did before. It is largely due to the destruction caused by war that these improvements are taking place. But here up to now and for the last 150 years and more, nothing approaching that has been done for 5 crores of poor people and we find no provision has been definitely, clearly and specifically laid down. Let the President of the American Republic study and understand this position of these poor people for himself. When he wants to send so many troops here, if he wants to take advantage of the conditions of this country, let him see that the people of this country are a little more happy than beasts and animals. With these words, I support the motion moved.

Mr. Piare Lall Kureel (Nominated Non-Official): Sir, I rise to support my Honourable friend, Rao Bahadur N. Siva Raj. Before I take up the real subject of the cut motion, I wish to make it clear that the scheduled castes form a separate and distinct element in the national life of the country. They form a community apart from the Hindus and they have nothing in common with the Hindus. The social disabilities from which the scheduled castes suffer are too well known to be described here. Socially, they are at the lowest ebb; economically, they belong to the most exploited sections of the Indian population; educationally, they are the most backward community in India. Everybody knows that. I do not wish to give a detailed explanation for this. The Hindus have regarded the untouchables as animals and lifeless objects. Even today they are not allowed to take rich and healthful diet in some parts of the country. Even today they are not allowed to wear white and clean clothes. Even today they are not allowed to use public conveyances.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): What have these reflections got to do with the motion before the House?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can go on.

Mr. Piare Lall Kureel: When they are free and may speak against any section of the Assembly, then I should also be given the liberty to speak what I like. They have spoken against the Government in most contemptuous terms. They have spoken against the nominated Members in the most contemptuous terms and they have also spoken against many other Members of the Assembly.

Then, I should also be given the liberty to expose the realities. They have accused the Government of their inefficiency. They have called the Executive Council Members traitors, tyrants and what not. Why to pick a hole in another's coat? What about your efficiency? What about the democracy that exists in your society? What about the most shameful and inhuman regulations that you enforce against the untouchables in your society. You never feel ashamed of these regulations and rules against the untouchables. You speak of British domination. What about the slavery that exists in your society that is hundred times more odious and worth condemning than the British domination. You were never ashamed of it and when I come here and expose the realities you begin to interrupt me. You have spoken in such contemptuous terms that I cannot speak in those terms. You have denied the untouchables the most elementary rights of human beings, even those enjoyed by rude savages in Cannibal lands.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must address the Chair.

Mr. Piare Lall Kureel: I did not like to say anything against my friends. I said these words because they interrupted me and they did not like to listen to what I was saying.

Now, Sir, I must say a few words regarding the Hindus. Most of them are not present. (An Honourable Member: "Most of them are here".) The Nationalist Members are not present here. Many Hindu Members who boast they are doing a lot for us are not present here. They speak of their civilisation and culture in commendable terms. They boast of their civilisation and culture but their civilisation and culture have thrown 8 crores of human beings into the darkest cave of degradation and humiliation to live and die like dumb and dull brutes. They deny the elementary rights of human beings to several millions of their fellow men.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member will now deal with the cut motion.

Mr. Piare Lall Kureel: I do not like to say anything more. I now come to the real subject of the cut motion. First, I would like to point out to you the representation that has been given to the scheduled castes in the various Post-war committees. The representation of the scheduled castes in the said reconstruction committees is very inadequate. I have got here the names of persons who have been appointed on these committees. There is the General Policy Committee of the Reconstruction Committee of Council. Out of the three State representatives and 23 non-officials, there is only one representative of the scheduled castes and that is my Honourable friend, Rao Bahadur N. Siva Raj. I come to the Policy Committee No. 1—Resettlement and Re-employment. Out of the three State representatives and 25 non-official representatives there is only one representative of the scheduled castes and that is myself.

Mr. Abdul Qaiyum (North-West Frontier Province: General): Who made these appointments?

Mr. Piare Lall Kureel: I am not complaining against the Honourable Member.

Mr. Abdul Qaiyum: I put a question—as to who made these appointments.

Mr. Piare Lall Kureel: This is what I am going to explain.

Mr. D. K. Lahiri Chaudhury (Bengal: Landholders): Don't get excited, my friend. We are with you.

Mr. Piare Lall Kureel: Then I come to Policy Committee No. 2—Disposals, Contracts and Government purchases. Out of three State representatives and 17 non-officials, there is not a single member of the scheduled castes. Then I come to Policy Committee No. 3A on Transport. Out of three State representatives and 14 non-officials, there is not a single member of the scheduled castes. Then I come to Policy Committee No. 3B on Posts and Aviation. Out of 3 State representatives and 10 non-officials,

[Mr. Piare Lall Kureel.]

there is not a single member of the scheduled castes. Then I come to Policy Committee No. 3C on Public Works and Electric Power. Out of three State representatives and 6 non-officials, there is not a single member of the scheduled castes. Then comes Policy Committee No. 4—Trade and Industry. Out of three State representatives and 22 non-officials, there is not a single member of the scheduled castes. Then I come to Policy Committee No. 5—Agriculture, Forestry and Fisheries. Out of three State representatives and 22 non-officials, there is not a single member of the scheduled castes. Now, this is the representation that the scheduled castes have got on the various reconstruction committees. (An Honourable Member: "You can censure the Government on that.") Sir, the scheduled castes deserve more consideration in this matter. They are very backward from every point of view and it becomes the duty of the Government to improve their condition with all the resources at their command.

Sir, the first thing that I want to point out is that their representation should be increased. The programme that has been chalked out for the post-war reconstruction is also inadequate so far as the scheduled castes are concerned because the social, economic and educational condition of the scheduled castes is very different from those of other communities. They are very backward, socially, economically, educationally and in fact in every respect.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Members are not to read newspapers in the Chamber.

Mr. Piare Lall Kureel: Therefore, I would like the Government to make special arrangements for the scheduled castes. I would like the Government to establish separate colonies for the scheduled castes. In the present villages they are always at the beck and call of the caste Hindus, money-lenders and the land-owning classes. They live and cultivate on their lands and are therefore dependent on them. They cannot do anything for themselves. They cannot improve their condition according to their ability and capacity because for every thing they have to depend on them. They cannot take any initiative in any scheme or in anything that is meant for the improvement of the scheduled castes. Therefore, there should be separate colonies for the scheduled castes. My Honourable friend, Rao Bahadur Siva Raj, has sufficiently explained the scheme and I do not want to go into its details. A resolution for a separate settlement for the scheduled castes was passed at the All-India Scheduled Castes Federation held at Cawnpore this year and a similar resolution was passed previously also at Nagpur. The best way to improve the condition of the scheduled castes is to take deliberate steps for establishing separate colonies for them, where they will have their own lands, their own schools, tanks and wells, and they will not have to depend on others. There they will be in a position to improve their condition to the best of their ability and capacity. For this purpose, I would like the Government to raise a special fund as has been pointed out by the Honourable Rao Bahadur Siva Raj and I do not want to say more on that point.

In the end, I would like to say that the Government should not be afraid of other communities. If they all turn against the Government, the Government must bear in mind that they will have 10 crores of scheduled castes to help them in their adversity. With these words I support the cut motion moved by my Honourable friend, Rao Bahadur Siva Raj.

Mr. N. M. Joshi (Nominated Non-Official): Sir, I have great pleasure in supporting the cut motion which my Honourable friend Rao Bahadur Siva Raj, has placed before the House. My Honourable friend Mr. Lalljee was justified in complaining that some sections of the House do not show enough interest in the discussion of this subject. Improving the condition of the scheduled classes is as much necessary in my humble judgment for the sake of the scheduled classes as for the sake of the whole country. You cannot improve the condition of the whole country if you neglect the interests of the scheduled classes. I, therefore, feel that the House should give serious

consideration to the subject which has been placed before us this morning. I feel that in any scheme which we may make for the reconstruction of this country or of our society or in any plan which we may make for raising the economic or social condition of the people of this country, the interests of the scheduled classes cannot be neglected. I feel that special provision will have to be made in any plan or scheme for reconstruction for the scheduled classes. I have no doubt that if we make a good plan for the reconstruction of the society in this country and if proper provision is made for improving the lot of the poorest section of the cultivators in this country, for improving the lot of the landless labour in this country, and for improving the lot of the working classes in this country, those efforts will to some extent benefit the scheduled classes also because most of the scheduled classes belong to the poorest section of the cultivators, most of them are landless labourers and the remaining of them belong to the working classes. But I feel that even though the general efforts made to improve the condition of the poorer section of the cultivators and the general efforts made to improve the condition of the landless labourers and also the measures taken for improving the lot of the working classes may benefit the scheduled classes still I feel that special efforts are necessary in order to bring the scheduled classes to the level of other classes in this country. It will be wrong for us to try to make a scheme for reconstruction and not to make a special provision for improving the condition of the scheduled classes. I, therefore, feel that my Honourable friend Rao Bahadur Siva Raj, was justified also in making a complaint that the Government of India are guilty of neglecting the interests of the scheduled classes in forming the Reconstruction Committees. If you form a Reconstruction Committee and do not give adequate representation to the scheduled classes, which form one-fourth of the population, then your reconstruction is not going to be in the interests of the whole of the population. I, therefore, feel that the Government of India was wrong in neglecting to give adequate representation on the Reconstruction Committees which they have appointed. I have the same complaint to make as regards the representation of the general classes of workers on these Reconstruction Committees. But I shall not make that complaint today. But there is no doubt that the Government, whenever they appoint Committees to consider schemes for improving the condition of the working classes or generally of the people of this country, have ignored the interests of the scheduled classes and also of the working classes.

Then, Sir, I feel that not only special efforts are necessary but very big efforts are necessary. My Honourable friend, Rao Bahadur Siva Raj, said that the Government may spend 5 crores of rupees a year. I think he is too modest. The population of scheduled classes is 7 crores in this country and he asks for 5 crores a year. What can you do with one rupee per head? How can you improve the condition of the scheduled classes with one rupee per head? My suggestion to him is to cease to be moderate. If you are going to ask for 5 crores of rupees, then you will not be taken seriously. People have begun to talk in tens of thousands of crores of rupees.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Mr. Joshi has ceased to be a moderate now.

Mr. N. M. Joshi: My extremism is moderation itself.

I, therefore, feel that very big efforts are necessary. The mere expenditure of 5 crores of rupees a year will not do and it will not improve the condition of the scheduled classes in this country, who number 7 crores. I, therefore, feel that a very big plan is necessary to be made.

My suggestion to the Government of India is this. Let the Government of India appoint these General Reconstruction Committees. Let them give some representation to the scheduled classes, but let the Government of India appoint a Special Reconstruction Committee for the scheduled classes alone and

[Mr. N. M. Joshi.]

let that Committee be asked to make a plan so that the scheduled classes in this country may be brought to the level of the other sections of the population in, say, ten years' time. Let there be a plan so that the scheduled classes will be educated and at least brought to the level of other classes in education in ten years' time. Let that Committee recommend measures to bring the scheduled classes to the level of other classes in education, in economic matters and in every other matter within ten years' time. Let a ten-year plan be made and then after the plan is made and the costs worked out, the Government of India should make themselves bold to grant money. If you can spare money out of the revenues, well and good; if you cannot spare money, then take a loan. A loan will be justified for this purpose. If you can take a loan for war against Hitler, you can take a loan for improving the condition of the scheduled classes. There is nothing wrong in that. War is not a paying concern. If you spend money on a non-paying concern like war out of loans, why can't you spend money for waging a war against ignorance of the depressed classes and against their poverty. It is worth while fighting poverty, it is worth while fighting ignorance of the scheduled classes by raising loan. Whatever money is necessary should be spent out of loan and the Government of India should not hesitate to do that because you take loans on prosecuting the war. Any loan which you take for improving the condition of the scheduled classes will ultimately pay. It may not pay in five years time or in ten years time, but if the whole population of seven crores is improved, if their economic condition is improved, then they will be able to pay back the money which the Government of India may raise. Even if they do not directly pay back, the whole country will gain not only socially and morally, but the country will gain even economically. I, therefore, feel that there should be no hesitation on the part of the Government in spending large sums of money for improving the lot of the scheduled classes. I, therefore, hope that this motion will be passed.

Mr. Abdul Qayyum: Sir, there is no desire on this side of the House to intervene in the debate, because on a previous occasion when a similar cut motion was brought by the Honourable Mover, we had made the position of the Congress Party quite clear. We are in full sympathy with all the measures which aim at the betterment of the conditions of the depressed classes, and we have never lagged behind any other section in this country in helping the scheduled classes to come into their own. As far as this cut motion is concerned, we are in full sympathy with the principle involved, though we have no faith in the post-war reconstruction schemes of this irresponsible Government. If they are here in office after this war, this reconstruction will be carried in the interest of British imperialism, British capital and British finance. They are trying to reconstruct this country as a sort of subordinate unit which can be exploited by British capitalists. We have no faith in this Government, nor in any of their schemes of post-war reconstruction. We are all trying our best to get rid of this Government and the imperialist system for which they stand in this country. But as some Honourable Members had made pointed reference to the absence of the Congress Party, and as certain agencies which are working for the Government are only too eager to make use of any thing against us, therefore, I got up to say these few words. If my Honourable friend, Rao Bahadur Siva Raj, will press his Motion to a division, we will support it. I just wanted to clear that misunderstanding.

Pandit Lakshmi Kanta Maitra: Mr. President, Sir my justification for intervening in this debate at this stage is that an impression has got round that we are opposing the cut motion moved by my Honourable friend, Rao Bahadur Siva Raj. Sir, if I rose to a point of order in the course of the speech which my Honourable friend Mr. Piare Lal Kureel delivered, it was because I felt that he was unnecessarily attacking the caste Hindu community. I had no other intention. I am sure the House has noticed that on every conceivable occasion whenever this Honourable Member, Mr. Piare Lal Kureel, gets a chance to speak on any subject, the first target of his attack is the cast Hindus and the Hindu

community. The other day, during the debate on Railway Budget we were discussing the question of having increasing representation of scheduled classes in the railway services. My Honourable friend, Mr. Piare Lal Kureel, turned round and twitted the caste Hindus saying, "you do not give your girls in marriage to the scheduled classes". I pointed out to him then that the cut motion under discussion was for "loaves and fishes" and not for getting girls and if he wanted girls, then let the Honourable Member for Railways provide them by all means. Sir, I really want to ask my Honourable friend, Mr. Piare Lal Kureel, and my Honourable friend Rao Bahadur Siva Raj whether really the interest of their community is served effectively by constantly maligning the Hindu community. We have never said anything against them. We have every sympathy with the scheduled classes. We have tried to associate ourselves with them in all measures which seek to ameliorate their condition. So far as I am concerned, so far as the Province from which I come, namely, Bengal is concerned, we have no such thing as untouchability in my Province. That is a well known fact. Even the Simon Commission had clearly expressed the view that the problem of the untouchable classes in Bengal was not of the same form or of the same proportion as it was in Madras. Sir, I am glad that my Honourable friend, Rao Bahadur Siva Raj, endorses my view. That being the case, that being the position, how does it lie in the mouth of my Honourable friend in season and out of season to fly off at a tangent, as he did today, to abuse the Hindu community. I may tell my Honourable friend that abuse does never pay.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Hear, hear.

The Honourable Sir Jeremy Raisman: Hear, hear.

Pandit Lakshmi Kanta Maitra: I am glad that my Honourable friends on the Treasury Benches have expressed their appreciation of this remark. I do not have any delusion about it. Whatever motions we have been able to carry against them, they have been of no avail, they have not been able to change their minds; the Treasury Benches are dead to all sense of shame. I know this for a fact.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better come to the motion before the House. He need not dilate longer on these preliminaries.

Pandit Lakshmi Kanta Maitra: It is the interruptions that diverted me into this. So far as the cut motion before the House is concerned, I want to make it perfectly plain that in all schemes which seek to alleviate the misery and the sufferings of these so-called scheduled classes, in all schemes which seek the betterment of their lot they have our entire and wholehearted sympathy. Beyond that, we cannot do anything. We have very little faith in this Government. Personally, I think, and it is my considered opinion, that any scheme of post-war reconstruction which is being boosted so often in the midst of this war, is merely a deliberate attempt by the bureaucracy to by-pass India's demand for freedom. This reconstruction cry does not evoke any real interest or any response in me. I have no faith in that kind of slogan and, therefore, if my Honourable friends think that by moving such a cut motion and pressing it to a Division they will be able to compel the attention of the Government and as a result thereof their community will have an efficient share in the so-called reconstruction, then, I am afraid, they are hugging an illusion. I have no such illusions in my mind, and I would ask my Honourable friend to consider if he would in these circumstances force us to a division.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Sir, I am indeed glad that my Honourable friend, Rao Bahadur Siva Raj, has tabled this motion on the floor of the House on a subject of great importance and a subject on which we certainly would like to have and to hear the views of members of the community that he represents in this House. I should like just briefly to touch on a preliminary question that has been raised both by my Honourable friend, the Mover of the resolution, and by some other Honourable friends; that is to say, the question of post-war reconstruction and the duty of this Government

[Dewan Bahadur Sir A. Ramaswami Mudaliar.]
as it is constituted at present with reference to post-war reconstruction. I am in entire agreement with my Honourable friend, the Mover, that the Government of the day, whatever its constitution and whatever its composition, has a prime duty to see that plans are made at the present time which will be put into effect in the post-war era whenever that post-war era dawns. I have no hesitation whatsoever in saying that the Government of the day will be failing in its duty if it were not, even now to have the blue-prints ready as far as possible on various subjects and on various matters which will be put into effect without much delay the moment conditions of war allow us to do so. It is obvious that during the course of the war itself at any rate, during a period such as we are having now at present, with the war in the present stage, it is not possible for any Government to have concurrently both the war effort carried out and also effect being given to post-war reconstruction schemes. But that is far from saying that proposals, plans, discussions and reports regarding post-war reconstruction should not now be got ready so that as far as possible when the time comes for giving effect to it there is no avoidable delay in this matter. And that is how every Government in every country is carrying out this work with reference to post-war reconstruction. I am sorry that during the last few weeks there has been a certain amount of change among certain sections of my countrymen who, for reasons I do not know and cannot analyse, are suggesting that post-war reconstruction schemes should all be laid aside and that some other Government which may come into existence at some future time should only take it up. It was only a few weeks back that the General Policy Committee on post-war reconstruction met and the members of that Committee representing various trades, industries and commerce and other interests asked the Government representatives to expedite their plans for post-war reconstruction, found fault with Government for delaying these plans, asked them what they were doing in the last two years and why they did not go ahead with these plans and have the schemes ready. What has come over these very gentlemen who now talk of post-war reconstruction schemes being put into operation or being even designed only after some change in the administration comes about is a matter, into the mysteries of the reasoning of which I am unable to enter at present.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): But they are not the same people. The people who asked you to expedite are still asking you to expedite.

Dr. P. N. Banerjee: Is this House represented on these Committees?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes, some of the Members of this House are on these Committees. And I am surprised to find that my Honourable friend, Pandit Maitra, who is doing extraordinarily good work on one of these post-war reconstruction committees, being a member of that reconstruction committee, should now get up and say that he has no faith in this Government and he does not want this post-war reconstruction committee work to go on. That is a kind of logic which, I very humbly venture to suggest, I am unable to follow.

Pandit Lakshmi Kanta Maitra: Because it will all end in smoke.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Now coming to the actual question that has been raised by my Honourable friend, Rao Bahadur Siva Raj, I should like to say that this Government cannot obviously be,—I shall not use the word 'unsympathetic',—disinterested in the progress and welfare of the scheduled classes. (Interruption by Mr. N. M. Joshi.) I wish my Honourable friend would not do any sniping from the back. If he wants to do any sniping let him snipe at us from the front.

Mr. N. M. Joshi: This seat was given to me by you, Sir.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: But not the authority to interrupt constantly.
Now, Sir, the main policy of post-war reconstruction in any country and the main policy in this country of any Government must be to raise the standard of living of the common man, to see that the underdog who has not had a chance

to have a fair living and fair existence must be given the proper rights that he is entitled to as a human being. And from that point of view there is no community which deserves more consideration in any scheme of post-war reconstruction than the community which my Honourable friend represents. It seems to me that it is an obvious proposition that any authority which plans for post-war reconstruction, which wants to raise the standard of living of the common man, which wants to see that as far as possible there is a general improvement in his standard of living, cannot but place the highest emphasis on the condition and the improvement of the condition of the members of the scheduled classes. These are not mere generalisations alone; if they were they would be of no use whatsoever.

Let me turn to a few aspects of post-war reconstruction to which my Honourable friend referred. He naturally attached the greatest importance to education and other amenities which the scheduled classes should have. As regards many of these subjects I am not merely putting forward an excuse but I venture now to remind myself of the fact that most of these activities are within the purview of the Provincial Governments. Except for the area which is directly under the administrative control of the Government of India,—Delhi and other areas,—these subjects are naturally administered by Provincial Governments. But I do not thereby suggest that the Central Government have no responsibility in this matter. They have two kinds of responsibility and they are prepared to discharge both these responsibilities. In the first place a certain amount of advice can be given from the Centre, and committees have been formed at the Centre with representatives of Provincial Governments, with educational authorities, just for the purpose of seeing that the advice of the Central Government is communicated to various Provincial Governments on these subjects which are primarily under the present constitution the sole responsibility of the Provincial Governments, without over-riding their jurisdiction, without encroaching on their powers and privileges, without dictating to them in any way what they should do and what they should not do. I think there is very great scope for the Central Government still by way of advice, by way of co-operative effort in this direction to do what they can to make the Provincial Governments concentrate their attention on problems of education and, in particular, on the problem of education of the scheduled castes.

There is another direction in which probably to a certain extent the Central Government may be able to help. It is possible that in these post-war reconstruction schemes the Central Government may be in a position to give certain financial grants to various Provincial Governments; and it is possible in that case to so give the grant or to so condition the grant that certain aspects of post-war reconstruction may be carefully considered and given effect to by the various Provincial Governments. These are the two directions in which the Central Government can help in these schemes. My Honourable friend referred to the report which has been popularly called the Sargent Committee report, the report of the Central Advisory Board of Education, and referred to the fact that according to that scheme in high-school education a certain selection will have to be made which will to some extent seriously affect the position of the scheduled castes. He also referred to a speech of the Vice-Chancellor of the Madras University on the subject. I think the recommendation that he was referring to was this:

"Entry to high school should be on a selective basis. Only those pupils should be admitted who show promise of taking full advantage of the education provided. Additional subjects may be provided for those not selected, provided that no cost falls on public funds."

If this recommendation were there by itself and were not modified in any way by subsequent discussions or considerations I personally would have no hesitation whatsoever in saying that I agree with my Honourable friend, Rao Bahadur Siva Raj, and disagree with this recommendation. For it would mean that only those people who have had already somehow or other got an aptitude for this education would be selected for high school education, that large numbers of communities which have been by hereditary occupation or by hereditary rules or by embargoes of one kind or another been deprived of the benefits of

[Dewan Bahadur Sir A. Ramaswami Mudaliar.]
higher education would continue to be so deprived on the basis that they do not come within the selective classes. But I understand that this recommendation is intended to be given effect to, or on further consideration it has been thought that it may be given effect to, when a state of universal education had been prevailing in the country for some years and when every section of the country; when every community and every caste has had the same opportunities and got to a certain level of common educational progress, when this process of selective admission to the high schools may be adopted. I understand that it did not mean that at this stage, when obviously there are classes who have been deprived for centuries of the facilities of education, by this new process of selective admission to high school a further embargo on a more scientific, refined and cruel basis will be added to the embargoes that they have suffered for so many centuries. That is not the intention of those who have framed the scheme and I am glad to assure my Honourable friend that it will not be the spirit with which this recommendation will be accepted. Sir, my Honourable friend may also be interested to know that in this Budget itself the Central Government have provided a sum of rupees three lakhs for scholarships to the scheduled classes

Rao Bahadur N. Siva Raj: That is not post-war.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That is immediate; that is better than post-war. It is a thing which the community has got now, immediately.

Rao Bahadur N. Siva Raj: I am grateful for that.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It means that even now, without waiting for the schemes to be given effect to in the post-war era, even now in this year and in the coming year before the war comes to an end, the Government of India have very vividly appreciated the condition of the scheduled castes and are prepared to do what they can and to give financial assistance to them in their educational progress.

My Honourable friend, Mr. Kureel, has spoken on this motion also. I am a Hindu, supposed to be a caste Hindu, and I take the view that however harsh the sentiments he may have given expression to we, who have allowed this system for so many centuries to continue, must listen with patience and must listen with a certain amount of forbearance to the complaints that the Honourable Member has made. It is undoubtedly not pleasant to have the whole past thrown at us and to hear the severe condemnatory language that has been used by the Honourable Member, but having a lively recollection of our own position—and I am certain that all Hindu Members in this House have a lively recollection of that position, so far as the society is concerned, though individually I am certain they have tried to do their best to get over those conditions—I would not be one of those who will feel either annoyed or upset at the condemnation that my Honourable friend has chosen to express in this House. After all, Mr. President,—

The toad beneath the harrow knows
Exactly where each tooth point goes!

And the Members of the scheduled castes know exactly what their sufferings have been and how, in spite of all their efforts, those sufferings have not been very considerably alleviated up to the present day. That is my only comment on the general remarks that my Honourable friend has made. He made a more specific complaint that in the organisation of this post-war reconstruction committees members of the Scheduled Castes have not been given proper representation. It is true that my Honourable friend, Rao Bahadur Siva Raj, is on the General Policy Committee which seeks to review the recommendations of all the other policy committees and which can be given in its own way a certain emphasis, perhaps a certain direction, a certain degree of recommendation for priorities as regards which particular recommendation of which Post-war Reconstruction Committees should be first carried out; and I can assure my Honourable friend, Rao Bahadur Siva Raj, that in that capacity he will have

not only a very useful but a very important role to play and that his observations will be very carefully considered by that Committee.

Sir F. E. James (Madras: European): May I ask my Honourable friend whether the Scheduled Castes have any representative on the Settlement Committee?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I am coming to that. The next committee, which is equally important, is the Post-war Reconstruction Committee on Re-settlement of demobilized soldiers, sepoys and of demobilized skilled and unskilled workers employed in various war works. I consider that is one of the most important committees from the point of view even of the scheduled castes. Let us remember, Sir, that the part which the members of the scheduled castes have played in this war is second to that of no other community in this world, not merely in this country. I have had personal experience and personal knowledge of the part that they have played. In the Sappers and Miners Corps in North Africa along the road from El Alamién down to Tunis their part has been one of the most glorious in the whole history of this war. I have had opportunities of seeing not merely the accounts published in the press through the war correspondents from time to time, but I have had opportunities of seeing many more of these reports which are in the archives of the War Secretary's Department in Whitehall, and I can assure them and my Honourable friends in general that the achievements of the Indian Army and of the Sappers and Miners Corps in particular are not a hundredth conveyed by the reports which have been published in the newspapers. When the history of war comes to be written, they will find that a most glorious chapter will have to be devoted to them for the services they have rendered, for the part they have played, for the unique and unselfish way in which they have discharged their duties and responsibilities, not as mercenaries as some irresponsible people in this country have often suggested but as people who have felt that in that task, in fighting the enemy, lies the salvation of the world, the salvation of their own country and the upliftment of their own community. Now, Sir, in this Rehabilitation and this Demobilization Committee—one of the most important tasks which may be allotted to the members of this committee will be to see that the demobilized soldiers and workers are given a fair chance in the post-war world, that the demobilized soldier is given facilities to settle down on land as far as possible. Honourable Members may be aware—and if they are not aware I should like to inform them—that in most provinces a survey has already been made of the lands which are free to be given to demobilized soldiers, a point that my Honourable friend, Rao Bahadur Siva Raj, referred to, and I have no doubt whatsoever that in those settlement schemes the interests of the depressed classes will be taken into consideration and proper allotment of land will be given to them, so that they can feel for the first time that they have an interest in the land and an interest in the country and are not merely landless labourers as they have been for generations past. But apart from these matters and apart from these two committees, there has been a complaint that they have not been represented in other Post-war Reconstruction committees and my Honourable friend, Mr. Kureel, gave a list of these Post-war Reconstruction committees and showed that the members of the scheduled castes are not on those committees. My Honourable friend, Mr. Joshi, representing labour, is always anxious to fish in troubled waters and I am willing to concede that on this occasion

Mr. N. M. Joshi: I do not fish at all. Fishing is not one of my recreations.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It is a recreation that my Honourable friend has learnt as a Member of this House and after he has come to this House in the still waters of this House. But I am willing to concede that my Honourable friend has hooked a very big fish indeed, and on behalf of Government I am prepared to give this assurance that we shall carefully consider the suggestion of my Honourable friend, Mr. Kureel, and see whether on other Post-war Reconstruction Committees the representatives of the Scheduled Castes, who are also the working classes mainly in this country,

[Dewan Bahadur Sir A. Ramaswami Mudaliar.] will not be represented. My Honourable friend, Mr. Joshi, said that on another occasion he will bring forward the question of working classes, but, Sir, what is the difference between the working classes and the depressed classes? I hope my Honourable friend, Mr. Joshi, will agree with me that if representation on an extended scale is given to the members of the depressed classes, the Government of India will be at the same time facilitating the representation of the working classes and seeing to it that the points of view of all the working classes are adequately taken into consideration in the discussions of the other post-war reconstruction committees.

My Honourable friend, Mr. Siva Raj, referred to certain resolutions adopted at the conferences at Cawnpore and Nagpur of the Scheduled Classes and I was very much interested to hear from my friend that one of those resolutions was the suggestion to appoint a Committee which will draw up a post-war reconstruction scheme with special reference to the depressed classes. I would like to assure my Honourable friend that Government would welcome the report of that Committee and the sooner it is in the hands of the Government the better both for the Government and the scheduled castes. We are most anxious to have as much help as possible from every party and community which tries to put forward schemes of post-war reconstruction, and we are willing to examine these schemes, put them before the post-war reconstruction committees on which both officials and non-officials are represented and try to see how far a co-ordinated scheme, which will promote the interests of all classes in this country, could be framed.

I do not think I have very much more to add. The Government, as can be seen from what I have stated, is completely in sympathy with the objects of this motion which has prominently placed before it the interests of the scheduled castes in post-war reconstruction schemes. It proposes to consider the special point of view of the depressed classes too. I can assure my Honourable friends of the scheduled community and the House generally that it is the intention, desire and policy of the Government to have the interests of these communities carefully considered in any post-war plan that they are preparing.

Sir Muhammad Yamin Khan: I only wish to say two or three words on this motion. We have got sympathy with the aspirations of the depressed classes and we have shown always that we are prepared to give them whatever can be given to them under the existing conditions. But I would like to speak candidly on two or three observations which have been made by my friends, Mr. Kureel and by Rao Bahadur Siva Raj. I do not think it was necessary for Mr. Kureel to say if the other people fail, then his community will be ready to support the Government. I do not know what he meant. Which Government was he going to support if the other people failed? Did he mean that the present Government would continue with the support of his community, or was he talking of some future Government?

Babu Baijnath Bajoria (Marwari Association: Indian Commerce): You have now forsaken the Government. Government has found new supporters.

Sir Muhammad Yamin Khan: My friend, Mr. Bajoria, when he finds support on the re-circulation of the Hindu Marriage Bill, will come forward to offer his services also.

Another thing which I would like to tell my friends, Rao Bahadur Siva Raj and Mr. Kureel, that though they are whatever they may call themselves, they should not ignore the fact that they form a section of the people of India as a whole.

Mr. President (The Honourable Sir Abdur Rahim): It is now quarter-past one.

Sir Muhammad Yamin Khan: I will take one minute more.

They should not stand in the way of the aspirations of the other sections of the community and they should not, in season and out of season, either by their votes or in any other way, work against the aspirations of the other people. If they do this then they will always have the support from this side of the House.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Deputy President (Mr. Akhil Chandra Datta): Sir Jeremy Raisman: DEMAND No. 15.—HOME DEPARTMENT.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a sum not exceeding Rs. 6,72,000 be granted to the Governor General in Council to defray the charges which will come in the course of payment during the year ending the 31st day of March, 1945, in respect of 'Home Department'."

Mr. Deputy President (Mr. Akhil Chandra Datta): Motion moved:

"That a sum not exceeding Rs. 6,72,000 be granted to the Governor General in Council to defray the charges which will come in the course of payment during the year ending the 31st day of March, 1945, in respect of 'Home Department'."

Mr. Deputy President (Mr. Akhil Chandra Datta): I think it is now the turn of the Nationalist Party. Mr. Maitra.

Abuse of Powers under the Defence of India Act and Rules.

Pandit Lakshmi Kanta Maitra: Sir, I move motion No. 16 on Late List No. 1.

Dr. P. N. Banerjee: Sir, with your permission may my Honourable friend, Mr. Maitra, come here so that he may be more audible?

Pandit Lakshmi Kanta Maitra: No, no. Mr. Deputy President, I beg to move:

"That the demand under the head 'Home Department' be reduced by Rs. 100."

Sir, my purpose in moving this motion is to raise a debate on the question of misapplication of the Defence of India Act and the Rules framed thereunder. The House is well aware that very often from time to time we have by interpellations and by adjournment motions brought to the notice of this House typical, individual cases where the Defence of India Act and the rules have been misapplied. The provisions of the Act and of the rules made thereunder are not being applied for the specific purpose for which they were enacted. The Defence of India Act was meant mainly for the purpose of the defence of India and for the effective prosecution of the war and for the maintenance of law and order and for the maintenance of essential supplies. Early this Session we have shown that in certain cases which have more than local importance these rules and the powers under these rules have been abused for the purpose of carrying into jails and for gagging eminent men occupying high positions in the public life of this country. We have brought to the notice of the House cases in which lawyers for the only offence of defending political cases have been put behind the prison bars. We have debated questions where restrictions had been put on the movements of people. Restrictions have been put on the travel by railways preventing people from going to certain places. But, Sir, it is not possible by mere interpellations or by adjournment motions to touch even the fringe of this question of abuse which has assumed such formidable proportions. I will mainly confine myself now to some of the well-known cases of misapplication of these rules, as they have been noticed by the High Courts and by the Federal Court in India. To begin with, I will mention the famous or infamous—I do not know what it is—rule 26 which gives the executive of this country wide and arbitrary powers to put behind the prison bars thousands of our countrymen without trial or charge. It was only last year that this matter after passing through the Calcutta High Court and several other High Courts came up before the Federal Court. I would particularly mention the case of King Emperor *versus* Shivrath Banerjee reported on page 177 of the Federal Law Journal Report. Their Lordships held in connection with this case that even the provisions of rule 26 were not complied with by the executive and their Lordships observed, "we cannot condemn the procedure adopted in this case too strongly. It would be difficult to conceive of a more callous disregard of the provisions of the law and of the liberty of the peoples". This is the pronouncement of the highest judiciary in this land. Sir, we dealt with the case of Pandit Baijnath in an adjournment motion in which the learned Chief Justice of the Allahabad High Court pathetically exclaimed "the Defence of India Act and the rules had paralysed us." I have also before me the subsequent observations of the learned Chief Justice of the Allahabad High Court. He observed

[Pandit Lakshmi Kanta Maitra.]
that he could not allow the law to be influenced by political considerations, politics must be kept aloof.

Sir, I now bring to the notice of the House the case of Mr. Pardiwala. It is interesting to note what transpired between the learned Judges and the learned Advocate who appeared on behalf of the petitioner. The impression is clear that a reign of terror was going on in the Lahore High Court, that there was a feeling of widespread panic in the Court itself. Several letters which were required to be sent to the Honourable Judges and to the Advocate General were intercepted by the police officers; and when this matter was brought to the notice of the High Court Judges, the police tried to get out of it by saying that the documents had been destroyed. I will, Sir, read out one or two passages from the report of what transpired between the learned Chief Justice and the other Judges and the counsels in that case:

"Chief Justice: So that a Chief Justice for receiving letters addressed to him or his brother judges should depend on the whims of a Sub-Inspector?"

Abdur Rahman J: If it is true that the letters had been destroyed, which I doubt, it does no credit to your clients.

Chief Justice: Letters meant for us here in the High Court destroyed by a Sub-Inspector is a serious matter!"

Later on, the Chief Justice observed:

"If any one puts in a petition in the High Court we cannot destroy it. But it seems the police can. What we cannot do they can. They are arrogating to themselves the rights of court."

And rightly the defence Advocate, Mr. Munshi, added:

"Much more than that, My Lord."

The Chief Justice pertinently observed in another case:

"There appears to be persistent endeavour on the part of the Executive these days not only to ignore and flout the Legislature, but even to interfere with and curtail the powers of the judiciary as well. The judiciary have therefore, got to be extra vigilant to preserve and maintain their authority and prestige in tact."

Sir, this is not from a Congress agitator. This is from a British Chief Justice of the Lahore High Court. Now, let me turn to Patna. Incidentally before I leave the Punjab, I may mention that their Lordships gave a stern warning to the Punjab Government not to interfere with applications which were meant for the Honourable Judges. The Honourable Judges warned that if in future they intercepted documents and letters which were meant for the Judges, they would be held guilty of interfering with the course of justice. In the Patna case the accused was one Mr. Narasingh Rai. He was implicated in a series of cases and eventually he was acquitted by the District Judge, but he could not get his release though acquitted. He sought the help of the Patna High Court. The High Court issued a rule and subsequently ordered his release. Even then he was not released. He was then given to understand that he was detained under rule 129 of the Defence of India Rules. Later on, they changed their front and said that it was a misprint. It was stated that it was a stenographer's mistake, and Mr. Narasingh Rai was really detained under rule 26(1)B. The learned Judge asked, "Is any care taken to ascertain the section?" The Advocate General replied in the affirmative but pleaded that that was a pure mistake. The Chief Justice intervened, "Is it the stenographer who inserts the section?" "No care had been shown at all." "No care is shown to orders." A stern warning also was given to the Government Advocate appearing in that case: This is how the Judges of the Indian High Courts have expressed themselves on the question of the application of the Defence of India Rules so far as they related to curtailment of civil liberties. I ask the Honourable member, does he realise the disastrous consequence of all this on the morale of the Judges in this country? This executive high handedness on the part of the officers brings the administration of justice into utter contempt. It demonstrates the importance of even the Highest Courts in the land.

I want to tell the House that when the Defence of India Act was passed here it was modelled on the Defence Regulations and Defence Emergency Act of Great Britain. But in the course of the last four years the British Act has

undergone modifications stage by stage and the provisions as they stand to-day are far more liberal than those of the Defence of India Act and the rules made thereunder. In Britain they have got a safeguard while here we have none. There, under those Defence Regulations, under Regulation 18B they have got advisory committees with a number of sub-committees and panels spread all over the country. Their function is to go into the cases of these detainees; the detainees are permitted to make representation to them, and these advisory committees are constituted not exclusively of officials. There are some officials, but mostly they are composed of non-officials presided over by eminent lawyers of Great Britain. When powers analogous to those under Rule 26 of the Defence of India Rules were sought to be obtained in England, there was a tremendous uproar in the House of Commons. And what was the result? At once the Home Secretary had to arrange a conference between leaders of all schools of political thought within the House of Commons and an agreed draft, 18B Defence Regulation, was evolved with this salutary protection of advisory committees. I also want the House to bear in mind that in Great Britain according to a provision in the law, all rules made by Orders in Council have to be placed before the House of Commons, and if within 28 days any member of the House of Commons wants to make any change, suggest any modification, annulment or cancellation, he has the right, he has every facility to do so, and if House of Commons so desire, any rule could be abrogated. Here in this country the Defence of India Act was passed in 1939. A number of rules thereunder have been made and are being made and they are not placed on the table of the House. We have no opportunity to know, examine or criticise them. I ask any Honourable Member in this House, except those on the Treasury Benches whether he is in a position to tell me how many are the rules that have been framed so far under this Act, whether there is any compendium of them to be used as a sort of *vade-mecum*. None. As a matter of fact, the rules are multiplying so fast and are being evolved in such a manner and with such a total disregard of the civil liberties of the people, that it makes one simply sick of the whole thing. When Rule 26 was declared *ultra vires* by the Federal Court the detainees were entitled to unconditional and immediate release, but promptly an ordinance, Ordinance No. 14 of 1943, was enacted to validate a rule which was *ab initio* void. But when that also came to be challenged, well, the Government at once came forward with another ordinance, Ordinance No. 3 of 1944. I have before me a press report in which I find that as many as 351 security prisoners from different parts of Bengal and Assam had obtained rules from the High Court in the nature of *habeas corpus* under section 491 of the Criminal Procedure Code on the ground that their detention under Rule 26 was illegal. But these Rules obtained by them had to be discharged because the Chief Justice felt himself powerless in the face of this new Ordinance. By this new Ordinance III of 1944, they have completely ousted the jurisdiction of all Courts including the High Courts in all such matters. The position today is that any body in the land may be deprived of his liberty on any pretext and he has no relief. The highest courts in the land cannot give him any relief. They are absolutely powerless.

I want to tell the Honourable the Home Member that these rules have been in operation for over four years. Is it not time for him, before he leaves this country, at least to agree to set up something like the advisory committees that are in existence in England which will revise these rules, and bring them in a line with the law as it obtains in England today. If that is not done, there will be increasing conflict between the executives and their own systems of judicature in this country. At present there is a sort of race going on between the judiciary and the executive in this country. The executive makes rules. The judiciary says that the rules are *ultra vires*. Immediately the executive brings in another rule. The judges say 'No, this is no good'. Then follows another ordinance. This is the kind of ugly race that is going on and what is the result? Even the modicum of civil liberty, the slightest vestige of civil liberty which was left to the country has been wiped out. I ask the Honourable

[15TH MAR. 1944]

[Pandit Lakshmi Kanta Maitra.]
Members of this House to carefully consider the position. It is not possible within the brief space of 15 minutes to give a catalogue of all the types of misapplication of these rules but they are so common and so flagrant that it is not necessary for me to labour the point any further. What I have said is sufficiently illustrative and indicative of the way in which the law is being administered in this country.

The other day we were surprised to read in the newspapers the report which said that three *tongawallas* in Jhansi were sentenced to two months' rigorous imprisonment under D. I. R. What was their crime? Some British soldiers visited an interesting place, a house of ill-fame, of dancing girls and these poor *tongawallas* who carried them in their tongas were charged with being instruments for the visit of these members of His Majesty's forces to a house of ill-fame and thus being responsible for impairing the health of the British soldiers. May I ask the Honourable the Home Member what would have happened if these *tongawallas* had refused to carry these tommies? Would they have been left alive? No. They would have been killed outright and if we had complained we would have been told, 'Oh, you are agitators. This is a matter of military defence. These people have come to defend your country'. I therefore appeal to the House that it should view this matter in all seriousness. It is time that there should be an organised and united effort in this country to put these Defence of India Act and Rules on something like a rational basis. I believe there is still a section in this House which thinks that there is some rationalism left in this Government. It is for them to try and negotiate and persuade them to see if anything can be evolved. For us here, our duty is clear. We should bring these facts to the notice of the Government, off and on, as often as possible and censure them for all these by all constitutional means. With these words, Sir, I commend the motion to the acceptance of the House. Sir, I move.

Mr. Deputy President (Mr. Akhil Chandra Datta): Cut motion moved: "That the demand under the head 'Home Department' be reduced by Rs. 100."

Mr. N. M. Joshi: I rise to support this motion. During the period of war, some more restrictions are placed upon the civil liberties of the citizens of various countries and I recognise that during such a period the citizens have to tolerate some special additional restrictions on their civil liberty but I feel that even during a period of war the additional restrictions which are to be placed upon the civil liberties of the citizens must be in connection with those matters which are directly connected with war or the defence of the country or matters which directly arise out of conditions due to the war or the defence of the country. But I feel in the first place that the Defence of India Act goes too far. The rules made thereunder also go too far in restricting the civil liberties of the citizens of this country. My Honourable friend, Mr. Maitra, has referred to a section of the British Act, the Defence of the Realm Act and section 18B. If you compare the British section with the Indian section, you will find that the Indian section goes too far and therefore the special law in India is unjustified. For instance, in Great Britain, section 18B does not enable the Government to use the Defence of the Realm Act to take any preventive action. The man who is to be deprived of his civil liberty or personal freedom must have done some overt act before he could be detained but in India a man need not do anything and the Government of India have power to detain that man. I consider that to be a wrong application of the situation which has arisen out of this war. According to 18B of the Defence of the Realm Act, in England, the Government takes upon itself the responsibility of making a report to Parliament on the cases of detention. The Government of India has no such responsibility. They can go on detaining people and make no report to the Legislature. It has already been said several times in this House that in Great Britain according to section 18B there is an examination by an independent committee. The Government of India have recently changed their law on this matter and provided for a review. But, Sir, the Government of India made no provision

for an independent review. Only this morning I asked a supplementary question with reference to the reply given by the Honourable the Home Member and asked him whether the reviewing authority will be an independent authority or will it be the same authority which is responsible for detaining a citizen in jail without an inquiry. I therefore feel that the Government of India is not entitled to use powers of detention without providing for an independent review but I shall not go into the question whether the law itself is right or wrong. On this occasion I propose to place before this House cases of the misapplication of the law. The Defence of India Act is intended to be used for situations arising out of the defence of the country or of war. But I have come across several cases where the Defence of India Act has been used to deal with ordinary

labour matters. It has been used in the case of workers of some industry who have nothing to do with the war and who want more wages or some changes in their conditions and the Provincial Governments have put these people in jail instead of looking into their grievances and securing a remedy for those grievances. Hundreds of such cases have occurred throughout the country. I feel that this is a wrong application of the Defence of India Act.

Then, Sir, take, for instance, the present situation in the country as regards the right of citizens to hold meetings and processions. At present in this country there is absolutely no justification for not allowing the citizens of this country to hold meetings and processions without the permission of the police, but there is hardly any province in this country at present where meetings can be held without the permission of the police. I do not know what is the justification for allowing these rules and orders to exist in this country so that the citizens should be compelled to take the permission of the police for holding ordinary meetings. I remember the Bombay Police Commissioner asking me once to take permission of the police to hold a meeting of the Executive Committee of the Bombay Civil Liberties Union. The Executive Committee of this Union consists of about 20 or 25 persons and about a dozen of them attend the meeting and yet I was asked to take the permission of the police. Now, what is there in the situation of our country that that order regarding meeting should remain in existence still, so that the citizens shall have to take permission for holding even ordinary meetings? I feel that this is a wrong application of the power given to the Government of India under the Defence of India Act. There is nothing in the present situation for keeping the order prohibiting meetings without the permission of the police. I therefore, feel that the Government of India and the Provincial Governments have made wrong use of the powers which are given to them. Under these circumstances, I feel and I am justified in stating that the Government of India and Provincial Governments are using the Defence of India Act for a purpose which is different from the original purpose for which the Act was meant. At present the Defence of India Act is used in order to make administration easy. No bureaucracy likes to have any difficulties in the administration. If people hold meetings and processions, it is difficult for the bureaucracy to administer the country. They like to make administration easy and therefore they have been using special powers and the additional powers given to them under the Defence of India Act. I feel, therefore, that time has come when the Legislature should consider very seriously whether the Government of India and the Provincial Governments have not abused the powers which are given to them. I, therefore, suggest to the Legislature that they should insist upon some examination being made as regards how the powers given to the Government of India have been used by them and whether the powers have been used for the legitimate purpose of the defence of India or they have been abused in order to make the administration easy by the bureaucracy.

Then, I would also like an examination being made of the Defence of India Act itself, whether the powers given to the Government of India and the Provincial Governments ought not to have been given. I, therefore, suggest that the Legislature should insist upon a Committee being appointed to examine the

[Mr. N. M. Joshi.]

Defence of India Act and the Rules, whether the powers given under the Act and the Rules are excessive and whether they have not been abused. If the powers already given are excessive and if powers given are abused, then the Committee should propose remedies. The Committee may propose that the present powers are excessive and therefore should be restricted. They may also propose safeguards for protecting the citizens from the abuse of the powers given to the Central Government and the Provincial Governments. I feel time has come when such an examination should be made and that it should be made by a Committee of the Legislature. I hope, Sir, even the Government of India could accept this cut motion because they have used the powers under the Defence of India Act for more than four years. If the Government of India have carefully examined the cases which have been dealt with under the Defence of India Act, they themselves may come to the conclusion that the Act has been abused. I, therefore, hope that the Government of India will not oppose this motion but will allow it to be carried and appoint a Committee for the proper examination, firstly, whether the powers already given to them have been excessive and, secondly, whether the powers given have been abused.

Sir Muhammad Yamin Khan: Sir, in the Simla Session of 1939, when the Bill was introduced which became the Defence of India Act, I gave the Government full support. My reasons for giving this support at that time were that the rules which will be framed will be administered under the authority of the Ministers and there should be no likelihood of their abuse. I had thought at that time that the rules would be administered by the Ministers and a proper consideration will be given to all things and facilities would be afforded for the trials and no injustice of any kind would be done to the individuals. I have come to realise since then that I made a great mistake in giving that support and I was wrong in thinking that the Government would not abuse those powers. I was to a great extent responsible for giving that weapon to the Government. I am now learning every day what an amount of abuse is made of the power which is given to the District Magistrates. Complaints come to me that those powers are being misused for other purposes than those which were the intentions of the Legislature. If the powers had been used only for the purpose of the prosecution of the war, I would not have minded it. But, Sir, I find that the powers are being used for other purposes and they are left absolutely at the whims of the executive officer in the districts to use them in any way he likes.

Sir, I will give you a glaring example of gross misuse that can possibly be made of the Defence of India Rules which made me think that I was wrong at that time and I suppose the Honourable Member himself will say that the power was wrongly given and transferred to these individuals. I am sure that if the then Law Member, Sir Muhammad Zafrullah Khan, had been here, he would have begun to weep on listening to the illustrations which I am giving before the House and he would regret at having been the author of such a kind of Bill which sought to put such arbitrary powers into the hands of the executive. I will take the instance in Nagpur. There, in Nagpur all public meetings have been banned since 1942. I knew, Sir, that in 1942 there was much commotion in the country and it was true that for a certain period of time meetings had to be prohibited. We would not mind that, because restoration of law and order is the primary duty of every Government, and if the Government had failed in that duty, we would have been the first to take them to task. After once law and order had been restored, to allow that condition to prevail in a town like Nagpur seems to me to be the grossest abuse of power and to put it mildly it is a most unreasonable attitude on the part of the Government of Central Provinces and Berar. Today nobody can hold a public meeting in Nagpur, not even a religious procession can be taken out. These are the orders in Nagpur. Not even the birthday of the Prophet Muhammad could be celebrated in several places. The birthday which is celebrated throughout the length and breadth of the whole world, was banned in several places and the Defence of India Rules

have been applied to stop meetings and processions on the Prophet day and to stop many things of that kind. No public meeting can be held in Nagpur and in other places in Central Provinces simply because the all powerful executive comes in under the Defence of India Rules. These are things which can be controlled under the ordinary law of the land. The ordinary law of the land is sufficient to deal with every situation. If war was not there, these Defence of India Rules would not have come into existence. Then the common law would have been administered. It is only in cases where there is immediate necessity or where the common law cannot be administered properly, then and then alone the Defence of India Rules should be administered, but not on lame excuses that because they do not find any other law, they open the book of the Defence of India Rules when they have no bearing on war.

I will show the House one instance of the greatest misuse that could possibly be perpetrated under the Defence of India Rules and this has come to my notice only today. Here is the notice in my hand. This is written in Hindi and it is signed by S.D.O., Sadar, Gaya. This bears the seal of S.D.O. Sadar, Gaya. This notice had been served on an Honourable Member of the Council of State and he is asked to appear before the S.D.O. at Gaya on the 15th March to give his explanation as to why he had not purchased war bonds and to show cause why he should not be prosecuted under the Defence of India Rules.

Mr. K. S. Gupta (Ganjam cum Vizagapatam: Non-Muhammadan Rural): Shame, shame.

Mr. D. K. Lahiri Chaudhury: Shame, shame.
Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): This is how they collect money for war funds.

Several Honourable Members: Read out the notice.

Sir Muhammad Yamin Khan: I do not know the language in which it is written, namely, Hindi. I got it transliterated word for word in Urdu and I will read out before the House in Urdu because it is in Hindi script which I do not know. Mind you, it is verbatim, word for word. No translation. It runs thus:

"*Bajanab S. D. O. Sahib Bahadur, mayam Gaya.*

Notice banam Sayyid Hoosain Imam, Gaya, Chunki"—

I am ashamed of a man like this S.D.O. who does not even know how to write correct sentences or words. The notice continues:

"*Chunki apko notice diya jata*"—

My Honourable friend the Leader of the House will know what kind of language is this—

"*Chunki apko notice diya jata hai ki report se zahir hota hai ke ap public logon ko war bond kharidne se rokhte hain.*"

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): That is serious.

Sir Muhammad Yamin Khan: The Honourable Member will hear further:

"*aur khud bhi nahin kharidte hain,*"

It means you are stopping people from buying war bonds nor are you buying yourself. The allegation against him is that he is not buying himself.

"*isliye apko notice di jati hai ke batarikh 15th March, 1944, ko bawagt 10 baje din men hazir akar wajah dikhlaen ke ap par dafa 38(5) Defence of India Rules ke mutabiq muqaddama kyon nahin chalaya jae.*"

Tarik 3-3-44."

Think of the gross abuse of power by this S.D.O. In the face of this if any Member of this House still supports the Government, I should be ashamed of that Member.

Mr. Abdul Qaiyum: It is disgraceful.

Sir Muhammad Yamin Khan: If an Honourable Member of the Council of State can be run in like this, who is the man who can escape the clutches of this all powerful Defence of India Rules. Simply what is the offence? That he should show cause at Gaya why he should not be dealt with under the Defence of India Rules. This man, this S.D.O. knows very well that the Honourable Mr. Hussain Imam is discharging his public duty here in the Council of State. This S.D.O. sends him this notice, which I can only characterise as idiotic, that is the mildest expression which I can use for this idiotic notice.

[15TH MAR. 1944]

[Sir Muhammad Yamin Khan.] which this fellow of an S.D.O. has sent to an Honourable Member of the other House to appear before him on the 15th March, leaving off all his duties and to respond to what? To show cause why he should not be punished under the Defence of India Rules. For what offence? For not purchasing war bonds.

Mr. P. J. Griffiths (Assam: European): But why should he stop other people from buying?

Sir Muhammad Yamin Khan: I would rather leave that aside for the present.

Mr. P. J. Griffiths: That is a serious offence, to dissuade people from buying.

Sir Muhammad Yamin Khan: Why should the Honourable Mr. Hussain Imam purchase war bonds when you are forcing people to buy.

Mr. P. J. Griffiths: But why should he stop others from purchasing?

Dr. P. N. Banerjee: But that has not been proved?

Sir Muhammad Yamin Khan: But why should he induce other people to purchase war bonds? Under what law can you call upon a man to induce people to purchase war bonds?

Pandit Lakshmi Kanta Maitra: Why don't you purchase, Mr. Griffiths?

Mr. P. J. Griffiths: We have put considerable sums.

Sir Muhammad Yamin Khan: What is the offence even if I advise people not to purchase if they do not want to do so? My Honourable friend, Mr. Griffiths, who seems to have roamed over the seven seas of the world at the expense of the poor Indian taxpayer

Mr. P. J. Griffiths: Sir,

Sir Muhammad Yamin Khan: I am not giving way. Don't interrupt me. I am surprised at the audacity of the Honourable Member in getting up in this House and trying to find fault with an Honourable Member of the Council of State for the alleged offence of inducing people not to purchase war bonds. I remember Mr. Griffiths once said in this House that if the British Government made any mistake, he will be the first to revolt and to take cudgels against them and in the same breath he now comes and defends an action like this on the part of the Government. You made a propaganda tour all over the world abusing Indians and now want to air such views here in this House also.

Mr. Abdul Qaiyum: National war front!

Sir Muhammad Yamin Khan: I advise the Honourable Member not to indulge in such cheap abuse lest he should excite this side of the House to say something which may not be palatable to the Group to which my Honourable friend belongs.

Mr. P. J. Griffiths: That side seems to be excited already.

Sir Muhammad Yamin Khan: You will see more if you continue in that strain. Under what rule or law, I ask, can the Government force a man to purchase war bonds?

Mr. P. J. Griffiths: The notice says to the contrary. That is not the charge in the notice. The notice says he dissuaded people from buying war bonds.

Sir Muhammad Yamin Khan: If any friend comes to me and asks my views I have every right to tell him whether it is profitable to invest in war bonds or whether it is more profitable to invest his money in some other shape. Have I not got that right when I am approached for advice by some one? May I know how much my Honourable friend has invested in war bonds or how much has his Group invested?

Pandit Lakshmi Kanta Maitra: Probably nil.

Sir Muhammad Yamin Khan: Why don't you induce members of your community to invest money in war bonds?

Mr. P. J. Griffiths: We have invested a good deal.

Pandit Lakshmi Kanta Maitra: It is all India's money on which you have been fattening yourself.

Mr. P. J. Griffiths: Nonsense.

Sir Muhammad Yamin Khan: People who are eating India's salt come and teach us a lesson as to what we should do and what we should not do. We, as patriotic people, have a right to defend our country. The greatest blow

to us will be if the Japs should come and conquer this country. My Honourable friend may talk glibly and taunt us, but the moment the enemy comes here, which will be our greatest curse, we have to defend our hearth and home, while my Honourable friend and his Group will leave this country after packing their suit cases. The defence of India is more important to us than to those friends of ours who come here only to make money and go back to die in their own country. But here is a notice which charges an Honourable Member with two offences. It says, "It appears from reports", etc. There is no specific allegation as to the persons who made the report, as to the persons induced or as to the circumstances or as to any definite charge that he has to meet. The notice quotes rule 38 of the Defence of India Rules, and that rule reads like this:

"No person shall without lawful authority or excuse do (a) any prejudicial act (b) or obtain, collect, record, print or publish or distribute or communicate by any means whatsoever to any other person any information likely to assist the enemy, etc."

The whole rule deals with the publication and printing of material which may be prejudicial or help the enemy.

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member has one minute more.

Sir Muhammad Yamin Khan: This rule has to be read with clause (5). That clause says:

"If any person contravenes any of the provisions of this rule he shall be punished with imprisonment for a term which may extend to five years."

That is the only clause which he has to meet and nothing else. What reply can Mr. Hussain Imam give to this? In what way has he contravened the provisions of the rule? Is this the sort of thing that appeals to an old bureaucrat, though retired, like Mr. Griffiths? Rule 38 only says that no one should give information to the enemy by saying or publishing anything which may be useful to the enemy and which may prejudice the defence of India. Supposing a man honestly believes and tells some widow or some poor relative that it is not a good investment and will not bring in a good return, where is the harm in his telling them that it is not profitable? But there are two charges, viz., that he stopped others from purchasing and also that he did not buy himself; and therefore he was to be run in under a section under which he could be convicted for five years. I think the silliest fellow on the face of the earth is the man who can issue such notice. And is it right and proper that this House should be a party to the giving of power in the hands of these people who have to administer the law but who are ignorant of all law, who are themselves lawless and have no idea as to how justice should be done and how the liberties of the people are to be safeguarded?

Mr. Deputy President (Mr. Akhil Chandra Datta): The Honourable Member's time is up.

Sir Muhammad Yamin Khan: I will finish in half a minute, Sir.

I said some time ago that Government is being carried on by Hitlers and Mussolinis; we cannot agree to this kind of Government. I have been trained in the traditions of British law, in one of the British Inns of Court which has got its own traditions. I have been trained according to British ideas as to the proper administration of the law and I am now constrained to say that I made a great mistake on the day I supported by my vote the passing of this law, under which power is entrusted in the hands of such people as this S. D. O. of Gaya.

Sardar Sant Singh (West Punjab: Sikh): Sir, experience makes many people wiser than they were a few years back. On the 20th September, 1939, when the Defence of India Bill was before this House I found my Honourable friend, Maulana Zafar Ali Khan, opposing me and making a terrible argument that the days of Dyers and O'Dwyers are gone to return no more. It was left to the Nationalist Party of which I was then the Secretary to oppose this measure. There were ten votes against the rest of the House in opposition to this Act. It was pointed out at the time that the effect of the Bill would be to entrust and delegate the most drastic rule-making powers to those whom we did not

[Sardar Sant Singh.]

know, people who were not disclosed to us and who were unknown to the Legislature. At that time Sir Yamin Khan opposed me. In the very next budget Session of 1940 Maulana Zafar Ali Khan realised his mistake and openly said so in this House—It is gratifying to learn that Muslim League Party as a party have changed their views about the Defence of India Act. I am happy. An Honourable Member of the Upper House told me sometime back that a friend of his had got into trouble under the Defence of India Rules although he never acted in any manner which was prejudicial to the prosecution of the war. He ran up to the District Magistrate of his district and told him 'I made a blunder of my life in supporting the Government in passing this Act. It was Sardar Sant Singh who opposed it, I must admit that Sant Singh was right and I was wrong'.

Mr. Badri Dutt Pande (Rohilkund and Kumaon Divisions: Non-Muhammadan Rural): Long live Sant Singh!

Sardar Sant Singh: Sir, at that time I pointed out that the Defence of India Rules would not be administered in the manner and for the purposes for which the Act was intended. When I pleaded for the right of appeal to the High Court against any act of the executive under the rules, I was told that I was not trusting the judges of the various High Courts. I was taken to task by the then Leader of the House in these words. Sir Zafrulla Khan in the course of his speech said:

"I was very sorry to notice that one Honourable Member made it his duty on every occasion in season and out of season to attack the honesty, the integrity, and the intelligence of the judiciary of this country."

Later on, he said:

"The judiciary of this country have to discharge heavy and responsible duties and on the whole they discharge them most creditably. I must also protest against the allegations made by the same Honourable Member who professed sympathy with my position *vis-à-vis* this Bill—that I was acting under the directions of somebody else in piloting this Bill through the House."

I had then pointed out that the political India had very little faith in the judicial decisions when they related to political matters. But leaving that aspect of the question aside, may I ask the Government as to why the Government of India changed their attitude towards this very judiciary? There is a complete somersault in their outlook about these very same highest judicial tribunals. Is it because the judges found fault with the exercise of rule-making power by the executive under the Act, the Government have issued an Ordinance depriving the High Courts of the jurisdiction to hear *habeas corpus* applications? Section 491 of the Criminal Procedure Code gives jurisdiction to the High Courts to look into the legality or otherwise of sending a man behind the bars, or restricting his liberty. This jurisdiction has been taken away now. I doubt very much if there is any tribunal left to question their power in over-ruling the provisions of a statutory legislation by a rule-making power under the Act. It is a doubtful proposition of law, but the difficulty in India is that no court is left to question them now. High Courts' jurisdiction is completely taken away. I wonder whether the Federal Court can question the right of the executive in this country to virtually repeal the provisions of section 491 of the Criminal Procedure Code by which a petition for *habeas corpus* can lie in the High Court. The Government are powerful today. We have seen the powers being used by authorities for purposes which were never contemplated when the Defence of India Act was passed. The main provisions of the Act do not empower the Government to deal in a summary manner under the cover of Defence of India Rules with any matter that they find troublesome in the country. If a soldier's wife refuses to go to the soldier's father's house, the Defence of India Rules are applied because the prosecution of the war is being hampered by such a refusal.

An Honourable Member: Is it so?

Sardar Sant Singh: Yes, it has happened. If a person does not pay his land revenue, the Defence of India Act is used to collect the same. If a person is arrested and a counsel comes to defend the accused person, the counsel is safely

put in the Lahore Fort. What are we coming to? I will appeal now, Sir, to the conscience of my European colleagues . . .

An Honourable Member: If they have any.

Sardar Sant Singh: I have always felt that they have got conscience. . .

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): You are mistaken.

Sardar Sant Singh: I am not mistaken. I would rather judge them by their conduct . . .

Mr. Govind V. Deshmukh: Today.

Sardar Sant Singh: Yes. I will ask them: Do you think what is not palatable to your own people in England is palatable to us . . .

Dr. P. N. Banerjee: We are a subject race.

Sardar Sant Singh: . . . simply because we happen to be a subject race? If the House of Commons considers it necessary to appoint an Advisory Council to see to the proper application of these Rules, is it not only fair that you should vote with us and tell the Government that Advisory Councils must be appointed to see how the Rules are made and how they are administered? After all, what is this demand? It is a demand asking for protection of the elementary principles of liberty. Instances can be cited where people have been sent to jail on account of political party differences, on account of private grudges, and on account of personal ill-feelings. What will after all happen, may I ask, if this House agrees to appoint an Advisory Committee? Do you think those members who will be required to serve on that committee will not discharge their duty with that sense of responsibility which is necessary for discharging the same? I refuse to believe it, if you say that. I refuse to think that the country will not help you where you are justified in demanding help from the people. But I know that so much distrust and lack of confidence has come about between the present Government and the people of this country that there can be no solution of the difficulty through which the Government and the people are passing until this distrust and lack of confidence is removed. The Honourable Sir Reginald Maxwell probably thinks why should he bother, he is leaving the shores of this country very soon. May I tell him, Sir, it is never too late to mend before you are ended . . .

Dr. P. N. Banerjee: You are hoping against hope.

Sardar Sant Singh: During the last four years whenever instances showing the abuse of Defence of India Rules have been brought to his notice he had to take shelter behind the plea: 'This is the work of the Provincial Governments; I cannot interfere'. Well, Sir, why did you pass the Defence of India Rules, why don't you repeal them now if you are so helpless? If you will do so, the power will go out of their hands and the mischief will end then and there. If you cannot do that, then why not amend the Defence of India Rules and take away the powers from the hands of the Provincial Governments. Out of the eleven provinces, the majority of them are being ruled under section 93 of the Government of India Act. Others are your thumb ministries which take inspiration from their Governors. (Interruption.) I say that with a full sense of responsibility and here I cite an example: Take Punjab, for instance. It illustrates the whole position. Certain members of the Punjab Assembly who were political prisoners were released by the Government; immediately after their release the District Magistrate served them with a notice not to attend the Punjab Assembly.

Dr. P. N. Banerjee: Most disgraceful!

Sardar Sant Singh: One member of the Punjab Assembly, Mr. Bhagat Ram, brought this motion up in the Punjab Assembly and the Speaker declined to protect the member. May I ask, Sir, if a District Magistrate can over-rule the provisions of the Government of India Act?

Mr. Ananga Mohan Das (Surma Valley *cum* Shillong: Non-Muhammadan): Disgraceful.

Sardar Sant Singh: The man is free but the District Magistrate says he shall not attend the Assembly.

Mr. Deputy President (Mr. Akhil Chandra Datta): You have one minute more.

Sardar Sant Singh: What is happening? You have abrogated all laws in the country. Your will is law today—as Sir Yamin Khan has rightly said, though rather very late in the day and after four years, that country is being ruled by Hitlers and Mussolinis. The name may be different, the clothing may be different, but the spirit underlying the whole show is the same.

Sir Muhammad Yamin Khan: The history of Czechoslovakia is being repeated in India.

Sardar Sant Singh: I ask you to take note of the direction in which the wind is blowing. There is too much discontent in the country. The way you have dealt with the security prisoners is shameful and yet you refuse to take advice from the representatives of the people. I, therefore, ask the European Group Members especially to vote with us if the Government refuse to accept this. We want an advisory council to administer these rules and nothing more. With these words, I support the motion.

• **Mr. Deputy President (Mr. Akhil Chandra Datta):** Sir Sultan Ahmed.

The Honourable Sir Sultan Ahmed (Leader of the House): I won't take more than two minutes. A certain impression has been created by my Honourable friend, Sir Yamin Khan. He referred the House to Rule 38 which is mentioned in the notice and he thought that as a lawyer he was shocked to see that certain Magistrates think that anything done by the person who received the notice is punishable under Rule 38. He said;

"No person shall without lawful authority or excuse—

(a) do any prejudicial act."

(An Honourable Member from the Congress Benches stood up to speak.)

Mr. Deputy President (Mr. Akhil Chandra Datta): He is not giving way.

The Honourable Sir Sultan Ahmed: My Honourable friend did not know that there was another Rule where "prejudicial act" has been defined. "Prejudicial act" has been defined under Rule 34 sub-rule (6). "Prejudicial act" means *inter alia* any act which is intended or is likely to undermine public confidence in the national credit or in any Government loan or security or in any notes, coins or token which are legal tender in India or any part thereof, or prejudice the success of any financial measures taken or arrangements made by Government with a view to the efficient prosecution of the war. It is a matter of merit whether Mr. Hussain Imam has done any prejudicial act as defined under Rule 34 sub-rule (6). That is whether he has done anything which would undermine public confidence in any Government loan, etc . . .

Dr. P. N. Banerjee: That is not the charge.

Sir Muhammad Yamin Khan: Is that the charge? I read out the notice. You are undermining confidence.

The Honourable Sir Sultan Ahmed: . . . by preventing people from subscribing, but whether he did it or not is another matter. If he has done anything to prejudice the success of any financial measures taken or arrangements made by the Government, I suggest that the requirements of the Rule will be satisfied. So, as a pure question of law that notice is in order.

Dr. P. N. Banerjee: This is irrelevant.

The Honourable Sir Sultan Ahmed: Of course!

Mr. R. R. Gupta (Cities of the United Provinces: Non-Muhammadan Urban): I had no intention to intervene in this discussion but as I know, perhaps I may be hoping against hope, the Honourable the Home Member who in a few weeks will be leaving this country may like to see that the provisions of the Act which he got passed by this House on his personal assurances, are not misused by over-zealous officers. It is with this hope . . .

The Honourable Sir Reginald Maxwell (Home Member): On a point of personal explanation, I was not in this House when the Act was passed.

Mr. R. R. Gupta: May I take it that you don't want that the provisions of the Act are not misused by your subordinate officers? I still hope that you want them to be judicially used by them. It is with this hope that you to bring certain facts to the notice of the House and I will leave it to the House and the Honourable the Home Member himself to decide to what extent the provisions of Defence of India Rules are being judicially carried out.

I will tell you one story of what happened in Cawnpore. One evening one of the Sub-divisional officers took a person on the lorry with all his luggage to a house where another person was residing and forcibly got the latter removed, threw away all his household property and put the man whom he brought into this forcibly vacated house without giving him any previous notice. The gentleman who was forcibly removed from his House was a Government servant and he belonged to the Department of Sir Jeremy Raisman.

In the second case, Sir, in the same way one house which was occupied by a business man, was forcibly opened without any notice to the occupier and another man was put there.

In the third case, one *tongawallah* was sentenced at Jhansi. The charge was that he brought the two military gentlemen to a rotten place.

In the third case which is my own, I purchased a house in Nainital last year which was occupied by three or four persons. I requested them to vacate the house because I bought that house for my own residence. They vacated the house on my request. Just I have got a notice in which it is written that the District Magistrate has asked those persons, whoever they may be, to occupy my house. I do not know, Sir, how far the District Magistrate is justified, without asking for a new tenancy, in asking those persons to re-occupy that house. These are also the persons who usually go to Nainital for the summer season for a change as I do. They are retired persons and have got nothing whatever to do with Government service or with military service. The order which I have got, only described that the persons who occupied my house on a previous occasion have been asked to reoccupy that house.

[Mr. R. R. Gupta.]

called from the District. Next day a lorry loaded with many police constables and other officers came on the spot and they plundered the whole village. Almost every able-bodied person in the village was arrested. I do not know the exact number of the persons who were arrested. A sort of *zulm* was inflicted on the villagers. When the matter came to the notice of other people they wanted to file a suit and to take up that case, immediately the matter was brought to the notice of a lawyer. The lawyer was prevented to take up that suit, otherwise he will be dealt with by D. I. R. Sir, these are the few instances of the *zulm* which is being inflicted on the people under the garb of D. I. R.

I come to another type of injustice inflicted upon the trading community. Under these Defence of India Rules recently an order has been issued by the Industries Department according to which certain cloths are to be sealed and price-marked and that cloth cannot be sold beyond a certain time. There are hardly three or four persons appointed to carry on the work of sealing and price marking on the cloth. In every shop they come and they take at least fifteen days time to complete the marking at one shop, and there are hundreds and thousands of shops in this particular District. Hence in many shops cloth has not been sealed and prices are not affixed on the cloth. The result is the cloth cannot be sold. It will take another six months before these persons are able to put prices on all the cloth and by that time the time allowed for selling the cloth will be finished. When anybody goes and makes a complaint, he is told whatever we ask you to do you should do that, otherwise there are the Defence of India Rules. Cases have come to my notice that where anybody has cared or dared to make complaints against certain officers, what happened in those cases was that investigations of those complaints were entrusted to the same officer against whom the complaint was lodged and the result was that the person who made the complaint was further harassed. The result is that a feeling has developed in the country that it is better to suffer all sorts of hardships and all sorts of injuries without speaking a word, otherwise they will have to face further trouble and further injuries. I think it is not a happy position. I do not think that the Government of India wants that this sort of position should be created in this country and it is with this hope that I have brought these facts to the knowledge of the Honourable the Home Member. I hope it is a most reasonable demand and it is in their own interest that Government should accede to the request of the Opposition to appoint an Advisory Committee to supervise the working of the Defence of India Rules. With these words I support the motion.

Mr. G. Rangiah Naidu (Madras City: Non-Muhammadian Urban): Mr. Deputy President, I have very carefully heard the speeches that have been made by my Honourable friends in this House. Whatever they said it was true and it was genuine. Sir, the administration of this Government is being abused and misused by the weapons of these Defence of India Rules. Sir, if these Defence of India Rules have not been abused or misused, I would not have been arrested on the 16th December, 1940, without committing any offence and put or sent to the jail for one year. Alright I admit they are right in arresting me, because I have been a political K. D. I have been a known depredator for the last 30 years. They have arrested boys who were playing marbles in the public streets and sent them to jail with me.

An Honourable Member: Just to keep company with you

Mr. G. Rangiah Naidu: Sir, children that were suckling the milk of their mothers have been arrested. Sir, what have these children done? They have done nothing wrong against the rules of this British Government. Such is the condition of this Government, such is the way in which they are misusing their rules and their enactments. My Honourable friend, Mr. Gupta, referred to the collections of war funds and collections of money against war bonds. Sir, I have witnessed so many atrocities that were committed in the villages

on petty merchants and agriculturists. Sir, the duty of collecting money has been entrusted to so many people—in the police department, the police sub-inspector, the police circle inspector, the police deputy superintendent, the police superintendent,—then the Collector, the deputy collector, the tahsildar, the revenue inspector, the village munsif and the village *karnam*. So many officers worry the people in the country in respect of collections of money. The war fund collections are stopped now, but the collection of money against war bonds is going on in the country now which is killing the people. A sub-inspector goes to some merchant and asks, "Where is my money? Take these two war bonds for Rs. 200". The merchant has not got even two pies to pay. Still the man is worried. If he is not in a position to pay, or if he refuses to pay, "All right. The weapon is in my hands, a special weapon, that is, the Defence of India Rules. I will arrest you. Even under the Police Act I can arrest you under some section". The man borrows some money and pays. But then another officer turns up—this time the circle inspector. "Where is my money?" "I have already paid Rs. 200, Sir. I have no money, Sir. I have already borrowed and paid, Sir, against two war bonds". "I do not care. My quota you must pay to the Government". The man has to pay. Then comes the tahsildar. Sir, I have got records here. Is this Government justified in taxing foodgrains? I have got a circular which was issued by the tahsildar of a taluq in the Kistna district.

An Honourable Member: Give the name.

Mr. G. Rangiah Naidu: No, I won't give the name. But this was issued by the tahsildar of a taluq in the Kistna district taxing foodgrains. I will read that to you, Sir, if it is intelligible. Per candy means 20 maunds. Ground-nuts—Rs. 3 per candy; paddy Rs. 5 per candy; *cholan* or *jowar* in Hindustani Rs. 6 per candy; *mirchi* or *chillies* Rs. 10; tobacco Rs. 10. All these commodities are intended for human consumption. This Government want to "grow more food", but what for? Is it for taxation? To get more taxes? Are these circulars issued under the orders of any Government? I wrote in the papers, I have addressed letters to the Provincial Government asking whether under their orders or anybody else's orders this sort of circular has been issued to the village munsiffs?

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

Again, in this circular you will find the amount that is to be collected from different parties—from merchants, from cultivators; there will not be entry in individual names. Is it the order of the Government, I asked. Nobody answered, no answer at all. In the same circular it is also said that this money is going to be used after the war for the development of the same village. That means post-war reconstruction.

An Honourable Member: Railway fare!

Mr. G. Rangiah Naidu: Post-war reconstruction is all humbug I know, it is a mere humbug. We are going to see it after the war! So many promises have been made during the last war, don't you remember? What was the result? The Rowlatt Act was one result. The second result was the atrocities committed by General Dyer in the Jallianwala Bagh in the Punjab.

An Honourable Member: There are many Dyers now also.

Mr. G. Rangiah Naidu: I dare say that some Rowlatt Act is going to be imposed upon the people to restrict their activities. That will be the result, nothing more than that. I warn my friends not to believe these promises of this British Government—that they are collecting money for post-war reconstruction work. It will not be used for that purpose; that money will also be carried away to some place for some purpose. Only tax after tax will be heaped upon us. Even betel nuts are being taxed. The poor man's betel nut, the poor man's coffee and tea—during these days of crisis when foodgrains are not available, the poor men drink tea and coffee and pass their time. I have been

[Mr. G. Rangiah Naidu.]

seeing that with my own eyes, such is the suffering of the people. Even Rangoon broken rice is not available, and to tax tea which is used by the poor man in the absence of foodgrains—what are you going to do? There are two reasons—exigencies of general revenues and post-war reconstruction. These two things are killing us. They have taxed the poor man's tea and coffee, they are taxing the poor man's betel nut, and what remains? Only poll tax. There are 40 crores of heads in this country and those 40 crores of heads are going to be taxed, and that is what is going to happen. With these few words I strongly support the cut motion that has been moved.

The Honourable Sir Reginald Maxwell: Sir, it is a pleasure to me to be able to take part in one more debate on the Defence of India Act and Rules before I quit India (*An Honourable Member:* "So, it is no offence to say 'Quit India'?"') particularly on this occasion when the Congress Party are present today to take part in the debate, no doubt with the full approval and consent of the Congress Parliamentary Board.

Mr. D. K. Lahiri Chaudhury: The Congress Parliamentary Board has been banned, my dear friend.

Mr. Badri Dutt Pande: The Parliamentary Board wishes you good luck.

The Honourable Sir Reginald Maxwell: Sir, every good citizen becomes fed up with defence regulations before the end of a war. It was the same in the last war, when I remember in my own country D. O. R. A. was regarded as the enemy of all decent people. But our impatience at these tiresome but temporary restrictions should not induce us to take a jaundiced view of the whole subject. We must at least be prepared to be fair to this Defence of India Act and Rules which we are discussing.

Now, Sir, I am in a curious position today because the Defence of India Act was passed by this House in my absence. I was still on the high seas when it was passed by this House and now they seek to father it on me and blame me for it. (*An Honourable Member:* "For misusing it.") Another disadvantage under which I am suffering today is that this cut motion has been made against the grant of the Home Department. That in itself tends to put the whole subject in a wrong perspective and one against which I want to put this House. The debate, as I expected, has proceeded as though the Defence of India Act and Rules were brought into existence and employed solely for the purpose of maintaining public order or interfering with political or other such activities. Now, I want to remind the House that the Defence of India Act was not primarily a penal enactment. It was, as its Preamble says, "an Act to provide for special measures to ensure the public safety and interest and the defence of British India and the trial of certain offences", and any one who reads the Act can see that a great portion of it deals only with the creation of those powers which are necessary for any Government to exercise in war time. Of course, the enforcement of those powers requires the prescription of certain penalties, but the object of the Act is different. It is not a penal enactment, but for quite a different purpose. (*An Honourable Member:* "It is designed all right.") In order to illustrate the actual use that has been made of the Act, I have here a statement of all the persons convicted under the Defence of India Rules up to the beginning of this year. I find that the progressive total of convictions under those Rules up to the beginning of this year is roughly 94,500 persons. But when I look at the analysis of those convictions I find that, for instance, 13,482 of them deal with offences relating to the control of

Sir Cowasjee Jehangir: Lights and sounds?

The Honourable Sir Reginald Maxwell: Yes, mostly in Bombay, 16,366 convictions relate to the control of industry, etc. That is chiefly under Rule 81, which is well known to the House. Again 13,781 are under other rules of a non-political character. So, out of these 94,500 convictions which I spoke of, some 43,500 are totally non-political and deal with matters entirely separate from the public order matters, which have so much interested the House today.

The actual number of persons convicted under those rules who were still undergoing sentences of imprisonment on the 1st January was only 8,972 and I would submit to this House that, when a complaint is made against the use of the Defence of India Rules, the total number of convictions, 94 thousand odd which I mentioned, is not in itself a large number as the record of 4½ years of war in a population of 300 millions. No one can say that this country has been ground down and the life of the people has been interfered with under the Defence of India Rules, if that is all that has happened. (*An Honourable Member:* "What is the percentage in England?") It is very much higher. Out of this 94,500, only about half of the offences, of which persons were convicted, were of the nature which has been discussed today.

Another point on which too much attention has been focussed in connection with these rules is the fact that certain persons can be detained under them without trial. On the 1st of January, about 5,000 persons were still under detention out of the total population of India. The peak number, that is, the progressive total of persons detained, was 17,572 up to that date, so that some 12,383 persons who had been detained had already been released by the authorities who had ordered their detention. That does not look as if the Provincial Governments were anxious to keep people under detention longer than they thought was necessary and I am very glad to be able to meet the House with such a low figure of persons actually under detention for political reasons at the present moment.

As regards this question of detention without trial, certain observations have been made in the course of the debate and my Honourable friend, Mr. Joshi, compared the Defence Regulation 18B of the United Kingdom. He then made, to me, the strange assertion that this power of detention in England could only be used against persons against whom some substantive act can be shown. The actual Regulation reads:

"If the Secretary of State has reasonable cause to believe any person to be of hostile origin or associations, or to have been recently concerned in acts prejudicial to the public safety or the defence of the realm or in the preparation or instigation of such acts, and that by reason thereof it is necessary to exercise control over him, he may make an order against that person directing that he be detained."

All that is needed for the application of the Defence Regulation 18B in the United Kingdom is "reasonable cause to believe". Now, another comparison has been made between what used to be Defence Rule 26 and Defence Regulation 18B. Mention has been made of the fact that Rule 26 has now been superseded by a new Ordinance III of 1944, which gives these powers in a self-contained form. Some criticism has been levelled against the nature of that Ordinance. It has been pointed out that it does not, as in Defence Regulation 18B of the United Kingdom, provide for Advisory Committees to consider the cases of persons against whom detention orders have been passed. That is true and I have already discussed the reasons for it in another place. But I would point out that as against that—and it is a point that Government considered very seriously before Ordinance III was approved—we have incorporated a liberalising provision which does not exist even in Defence Regulation 18B of the United Kingdom. We have prescribed that no person can be detained for more than six months under Ordinance III unless his case has been specifically reviewed and a fresh order has been passed. That, I submit, is a very definite advance and to a considerable extent removes the necessity of Advisory Committees, because the cases of all persons must automatically be reviewed by the Executive itself throughout. That, I admit, does not go as far as this House would like in that respect, but I did consider the point very carefully and the whole Government considered it very carefully as to whether we could set up Advisory Committees in this country of the kind which are in use in the United Kingdom, and it was considered that the practical difficulties were too great and that it would, to a very large extent, meet the nature of the case if the period of detention were limited in the way we have done. The House will admit that although there may be no Advisory Committees, it does still make a difference to the prospects of a person detained

[Sir Reginald Maxwell.]

that every detention order has a definite date of determination. There is no longer such a thing as indefinite detention and the provision for review is made statutory and compulsory. Although, as I said, we were unable to go as far as this House might have liked in the way of Advisory Committees, we have done a good deal to meet the sentiment which has, from time to time, been expressed in this House. And I would tell the House that in considering these matters, Government are not so unresponsive to the opinions expressed in this House as is sometimes believed. I take note of all those opinions and I find the general trend of them and see whether we can go any distance to meet them. I was conscious in the framing of this new Ordinance that I was going some way to meet the apprehensions which had been expressed in the past by Honourable Members such as my Honourable friend, Mr. Joshi. (Interruption.) I thank the Honourable Member for reminding me of that point. There has been some criticism of Ordinance III on the ground that it prescribes that no Court shall have power to make any order under section 491 of the Code of Criminal Procedure, that being the *habeas corpus* provision. Now, I would remind this House that the law of the country, as it exists in the Criminal Procedure Code and has existed ever since that Code was passed, prescribes that nothing in section 491 applies to persons detained under the Bengal State Prisoners Regulation, the Madras Regulation or the Bombay Regulation or the State Prisoners Acts of 1850 or 1858, so that in giving the same status to orders passed under Ordinance III we have done nothing that was not an accepted principle of law. At least in the case of a man who is detained without trial it does not matter from his point of view whether he is detained under the Bengal State Prisoners Regulation or the Bombay Regulation or Ordinance III of 1944. In these cases the accepted law of the country is that *habeas corpus* provisions do not apply to State prisoners who are detained without trial and there is no new restriction in principle imposed on High Courts in that respect. But as I have pointed out in another place, the mere inclusion of section 491 in Ordinance III does not, in effect, prevent the High Court from looking at orders which, it appears, have been passed without legal authority or under a misapprehension such as that of identity or in cases where the order is clearly *mala-fide*. High Courts have always held, so far as I know, that they are not precluded by section 491(3) from going into those things even in cases which were included in that sub-section and that position is not altered by the inclusion of this Ordinance in that sub-section.

Pandit Lakshmi Kanta Maitra: The Chief Justice of the Calcutta High Court has definitely pronounced otherwise.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. Let the Honourable Member proceed.

The Honourable Sir Reginald Maxwell: It shows no fresh distrust of High Courts.

Now, Sir, I wish to deal with the matter somewhat more generally. I cannot, of course, in reply to a cut motion go into detailed instances such as those which have been mentioned on the floor of the House. But I would remind the House that complaints of misuse of the Defence of India Rules proceed on the assumption that there ought to be more control from the Centre of provincial action in the sphere of public order, otherwise there would be no reason for moving a cut motion against this Government in that respect. Actions of the kind which have been mentioned in the course of this debate are all, I think every one of them without exception, taken by provincial officers under the control of their own Governments. The only argument on which this Government could possibly be censured in respect of instances of that kind is that they have not done something to prevent Provincial Governments from using their powers. Now, I would freely admit to this House that when we were framing the Defence of India Rules, we might have divided them into Provincial and Central sections. In fact, we thought of doing so. But it was obvious at an early stage of consideration that in the circumstances of war there

must be considerable overlapping or blurring of spheres of responsibility, because almost any aspect of public activities may in some respect or other affect the defence of the country. We, therefore, found it impossible to make a clear-cut division of that kind. Therefore, the Act provided that the Defence of India Rules should be made by the Central Government, but it also provides that the powers may very often be concurrent and it also makes full provision for the delegation of powers. In fact, it even makes provision for the investment of provincial officers with powers in Central subjects or Central officers to be given powers in relation to provincial subjects.

It has always been recognised and was recognised in the debates which took place in this House when the Act was passed that public order is a thing which affects the defence of India. That does not mean that the Centre had to take over the whole subject merely because it passed the rules. The responsibility remained where it is placed by the constitution and necessarily so, since the Provinces still have their primary responsibility for the maintenance of public order under all other existing laws relating to public order. And not only so, but the Provinces possess all the machinery necessary for the preservation of public order and the enforcement of those laws. It would have been impossible to go to the Provinces and say "Discharge your tasks up to the point at which the Defence of India Rules are needed and then, from that point, the Centre will take detailed control, but still the machinery must be yours and remain yours". Such divided control would be impossible. We cannot leave the Provinces in control of order up to a certain point or in the use of certain laws and then suddenly draw the line where the Centre steps in and takes over the machinery and relieves the Provinces of their responsibility. Public order in a country of the size of India must require decentralisation to a very great extent and all that the Centre could do in matters affecting public order was to take or direct action or policy where all-India interests were involved or where non-Provincial or inter-provincial considerations arose. These are the only matters where the Centre can step in and have some voice in the control of public order, but where that is not so we are bound to leave it to the Provinces. How much the defence of India has been affected by matters of public order during this war, I need hardly remind this House. Some of them, I hope, have seen the pamphlet that was written some time ago, "some facts about the disturbances" and I need hardly remind the House of cases in which officers and policemen were burnt alive, trains were derailed with great loss of life, innocent passengers bombed to death, including women and children, schools and hospitals burnt and destroyed and innumerable other acts of sabotage were committed.

Dr. P. N. Banerjee: Does one wrong justify another?

Sardar Sant Singh: Have you not had sufficient reprisals in 1942 for those alleged acts. You killed men and women in hundreds.

The Honourable Sir Reginald Maxwell: No one can possibly deny that occurrences of that kind vitally affected the defence of India in relation to the war position.

Sir Muhammad Yamin Khan: Nobody says that.

The Honourable Sir Reginald Maxwell: It is in no way possible to say that the Defence of India Rules were not required for this kind of thing or that they were not properly used against it.

Sardar Sant Singh: They were not properly used. I question the Honourable Member's statement on that point.

The Honourable Sir Reginald Maxwell: I would say in reply that the Defence of India Rules have, in fact, helped us to carry India through very great dangers and I would say that the country might well be thankful, if it takes a dispassionate view of the matter, that those rules were there; otherwise I would make bold to say that Honourable Members would not have been able to step into their luxurious third class carriages and come to this House today in order to criticise us and draw double first class travelling allowance for doing so.

[Sir Reginald Maxwell.]

I would therefore submit to this House that the allegations of misuse of these rules have not been substantiated.

Mr. T. S. Avinashlingam Chettiar (Salem and Coimbatore *cum* North-Arcot: Non-Muhammadan Rural): But you never believed that they were misused.

The Honourable Sir Reginald Maxwell: I know that a number of single alleged instances have been brought up in this House, but instances of that kind are not enough to establish a case against the Defence of India Rules as such. Had misuse of these Rules been of the kind and character alleged in this House, much more would have been heard about it than we have heard hitherto.

Sardar Sant Singh: Read the strictures of High Court Judges about the misuse of your Defence of India Rules.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had his say in his speech. He ought not to interrupt.

The Honourable Sir Reginald Maxwell: I would remind the House that our critics, even those among the High Court Judges, have very seldom seen the evidence on which the various Governments have acted in the use of these Rules. In the nature of the case, the evidence cannot be placed before them and it would be a great mistake to suppose that merely because certain criticisms or allegations have been made, the Governments of the Provinces concerned had no good reason, no *bona fide* reasons for making an order or taking the action complained of. Cases of alleged failure of responsible Governments to exercise sufficient administrative control over their officers would not, even if they could be established, be sufficient to discredit the Defence of India Rules as such. Indeed my Honourable friend, Sir Muhammad Yamin Khan, in reading out Rule 38, apparently found nothing to complain of in that rule. What he complained of was that some action which ought not to have come under it was deemed to have come in, but he read out with evident approval the provisions of the rule itself. That is all we are responsible for—the rule itself. The persons responsible for its application or control are the officers who use those powers.

Sardar Sant Singh: But why do you not deprive them by another Act?

The Honourable Sir Reginald Maxwell: It is true that it was not then known, when this Act was passed or when the present rules were framed, that the Congress Ministries would resign rather than discharge their responsibilities for the defence of India. But their resignation does not alter the principle accepted by this House or create a reason for not allowing the six non-Congress Ministerial Governments the powers which they then thought suitable for all alike. I would submit to this House that there cannot at any time in this country exist two legislatures, each claiming to exercise control over the same matter. Still less can we envisage the Central Legislature asserting the claim to exercise such control in detail over the actions of officers who are employed by and responsible to the Governments of their own Provinces. We must, I think, in considering this matter avoid what would be fundamentally an unsound position. I know that this demand for the control of everything at the Centre is really only a plea for a strong Centre as against Provincial autonomy. But you cannot have both together and we cannot alter the constitution at this moment; we have to take it for what it is. I admit too before this House that in the situation which I have described the relations between the various authorities are not always clearly defined and that they are sometimes puzzling. They are obviously sometimes puzzling to this House and they have at times puzzled me. I fully admit the great interest which this Assembly takes in matters affecting the liberties of the subject in the provinces; and so far as I have been able to do so in my present position, I have sought to meet the interest of this Assembly by giving it such material as I had at my command and by being prepared to discuss subjects in this House which were not strictly within my own responsibility. But in a case like the Defence of India Rules there is bound to be some blurring of responsibility; and in that case the proper course is not for the Centre to try to take powers out of the hands of the Provinces but rather to have understanding and co-operation between all the various authorities who are working for the common object of the safety and security of India. And that specially happens in the field of public order to which this cut motion mainly relates. I would, therefore, submit that this Assembly should not be misled by allegations of individual instances of misuse of powers which, as I said, I cannot answer because I have not got the means of verifying them or answering readily about the details of those cases. The Assembly should not be misled into attempting or demanding what would be impossible. I submit, Sir, that no case has been made out for this cut motion, that practically all the complaints which have been made have related to matters in which either responsible Provincial Ministries were concerned or, at any rate, this Central Government have not got the machinery to take direct responsibility and be answerable to this House. I therefore oppose the motion.

Mr. Abdul Qaiyum: Sir, I rise to support the motion. It is very difficult to convince the Honourable the Home Member even at a time when he is about to leave this country that he is wrong. It is harder still to convince the Government of which he forms a part that they can ever make mistakes. In fact when we listen to their speeches we begin to think that they have implicit and unshakable faith in their infallibility. The Honourable the Home Member in the course of his speech compared the provisions of the Defence of India Rules to corresponding provisions that exist in the British enactment, and tried to make out a case that the provisions which obtain in this country are similar to those which have been enforced in Great Britain. But may I ask the Honourable the Home Member if the Government of Great Britain is as irresponsible to the people of that country as this Government is to the people of this country? May I ask him if the Chancellor of the Exchequer could have the courage to rise in the House of Commons and say like the Honourable Sir Jeremy Raisman, that he does not care for twenty censure motions, that we can pass censure motion after censure motion but that they do not care two straws about them? Can such a thing happen in the House of Commons? Can the Chancellor of the Exchequer make the sort of statement which the Honourable the Finance Member made yesterday? Then, Sir, may I know if in

[Mr. Abdul Qaiyum.]

England it is possible for a candidate who is defeated in a parliamentary election to be appointed a Minister of the Crown, while his successful opponent is made to rot in jail all his life till he is dead? The last time that Mr. Satyamurti was arrested the state of his health was such that any one who had the least knowledge about his health knew that he would not survive his sentence of imprisonment. And that is what happened and what happens. Would it be possible for the Prime Minister of Great Britain to appoint a defeated candidate as a Minister of the Crown and give him extension after extension? Would it be possible for the defeated candidate to rise in the House and have the effrontery to tell the Opposition,—the elected representatives of the people,—that they are children who are being led astray? May I ask if such a thing can happen in Great Britain? Then why compare this wretched and irresponsible Government, these servile henchmen of British Imperialism, to a free country and a free Government—like they have in England? It is precisely because they are not responsible to the people of this country that we on this side of the House are anxious that some sort of control, some measure of check, should be exercised over the manner and the method in which they exercise and put these Defence of India Rules into practice. Just now my Honourable friend, Sir Muhammad Yamin Khan, brought to the notice of this House a very glaring instance of the abuse of the Defence of India Rules. If these rules are really intended for the defence of India, not even the arguments of the Leader of the House can convince us that this order can be justified. I hope the Public Prosecutor of the district town in Bihar, wherever it may be, will not take his cue from the *ex-Advocate-General* of Bihar who got up and started citing chapter and verse to justify the order. I am really amazed that anything and every thing can be defended by the Members of this Government.

Sir, if the Defence of India Act is really meant for the defence of India against foreign aggression we on this side of the House are whole-heartedly for it and we would be the last people to criticise it. But we know that in actual practice the Defence of India Act and the Defence of India Rules, are all intended for the defence of British Imperialism against Indian nationalism, that they are being misapplied day in and day out, that they are being repeatedly abused in practice by Government officers. And I can say without fear of contradiction that if a gentleman of the standing of the Honourable Mr. Husain Imam can be hounded in this manner, anything is possible. One of the charges against him is that he himself was not subscribing to the defence loans. Why should he subscribe money to the defence loans? Was he consulted when this war was declared? Was any countryman of his consulted when this war was declared? Is this war really being fought for the defence of India or is it being fought that Great Britain might recover all those countries over which she held sway before Japan came on the scene and snatched them away with one lightning stroke and deprived them of their ill-gotten gains? They are simply smarting to get back those countries, their oil and rubber, and to exploit them as they did before. What interest have we in this war? If a gentleman of the standing of Mr. Husain Imam can be treated like this, is it fair on the part of the Home Member to say that a single instance does not prove a case? If a man of his standing can be served with a notice like this, there must be thousands and thousands more in these seven lakhs of Indian villages who are being forced to give money to Government not because they want to give it but because it is forced out of their hands. Extortions and acts of extortions are being committed by Government servants and I can say without any fear of contradiction that the promotion of Government servants depends on the amount of extortion which they can levy. Then you say, "What do you know about this; these are general allegations". The other day the Honourable the Supply Member jumped up in his seat when I told him that the Supply Department was a department about which one could say, that corruption and refute. What was the object of my remark? My object was that the stench of corruption should be removed from this Department. But what is the effect?

The Honourable the Supply Member got up and tried to convince the Members of this House that there was nothing wrong with the Department, which was reeking with the stench of corruption . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not revive a debate which is finished.

Mr. Abdul Qaiyum: All right, Sir. I was just giving an analogy.

Similarly, this notice which has been served on the Honourable Mr. Husain Imam should act as an eye-opener to the Honourable the Home Member and he should take immediate steps to stop this abuse of the Defence of India Rules. We are told that there is such a thing as a provincial sphere and there is such a thing as a Central sphere, and we are told that such is the tender-hearted regard which this Government entertain for the provinces that they simply do not wish to interfere in their activities. Now, let us examine the situation. Most of the provinces even today are being governed under Section 93 of the Government of India Act. You passed the Defence of India Act, and you framed the Defence of India Rules. Section 93 Governments are directly under you. And as regards the Provincial Governments where provincial autonomy seems to prevail, I think that the situation was admirably summed up by the Honourable the Deputy Leader of the Muslim League in the course of his speech when he said that Provincial Governments are simply helpless because due to the war conditions you have simply made it impossible for them to function. The provinces are helpless. It is the Government of India which is, in fact, responsible for all manner of wrongs which are being committed on the people.

I wanted to go on, Sir, but the time is limited. I hope that the House will pass this cut motion and that every elected member will vote for this cut motion.

Some Honourable Members: The question be now put.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the question be now put."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the demand under the head 'Home Department' be reduced by Rs. 100."

The Assembly divided:

AYES—53.

Abdul Ghani, Maulvi Muhammad.

Abdul Qaiyum, Mr.

Abdullah, Mr. H. M.

Azhar Ali, Mr. Muhammad.

Bajoria, Babu Baijnath.

Banerjee, Dr. P. N.

Bhatto, Mr. Nabi Baksh Illahi Baksh.

Chattopadhyaya, Mr. Amarendra Nath.

Chettiar, Mr. T. S. Avinashilingam.

Chetty, Mr. Sami Vencatachalam.

Choudhury, Mr. Abdur Rasheed.

Choudhury, Mr. Muhammad Hussain.

Dam, Mr. Ananga Mohan.

Datta, Mr. Akhil Chandra.

Deshmukh, Mr. Govind V.

Easak Sait, Mr. H. A. Sathar H.

Fazl-i-Haq Piracha, Khan Bahadur Shaikh.

Gupta, Mr. K. S.

Gupta, Mr. R. R.

Habibar Rahman, Dr.

Hegde, Sri K. B. Jinaraja.

Hosmani, Mr. S. K.

Imail Khan, Hajee Chowdhury Muhammad.

Joshi, Mr. N. M.

Kailash Bihari Lall, Mr.

Kazmi, Qazi Muhammad Ahmad.

Krishnamachari, Mr. T. T.

Lahiri Chaudhury, Mr. D. K.

Lalchand Navalrai, Mr.

Lalljee, Mr. Hooseimbhoy A.

Liaquat Ali Khan, Nawabzada Muhammad.

Maitra, Pandit Lakshmi Kanta.

Mangal Singh, Sardar.

Mehta, Mr. Jannadas M.

Murtuza Sahib Bahadur, Maulvi Syed.

Naidu, Mr. G. Rangiah.

Nairang, Syed Ghulam Bhik.

Nauman, Mr. Muhammad.

Neogy, Mr. K. C.

Pande, Mr. Badri Dutt.

Parma Nand, Bhai.

Ramayan Prasad, Mr.

Raza Ali, Sir Syed.

Reddiar, Mr. K. Sitarama.

Sant Singh, Sardar.

Sham Lal, Lala.

Siddique Ali Khan, Nawab.

Siddiquee, Shaikh Rafuddin Ahmad.

Subharayan, Shrimati K. Radha Bai.

Umar Ali Shah, Mr.

Yamin Khan, Sir Muhammad.

Yusuf Abdoola Haroon, Seth.

Zafar Ali Khan, Maulana.

Ahmad Nawaz Khan, Major Nawab Sir.
 Ambedkar, The Honourable Dr. B. R.
 Ayers, Mr. C. W.
 Benthall, The Honourable Sir Edward.
 Bewoor, Sir Gurunath.
 Bhagchand Soni, Rai Bahadur Seth.
 Caroe, Sir Olaf.
 Chapman-Mortimer, Mr. T.
 Chatterji, Mr. S. C.
 Dalal, Dr. Sir Ratanji Dinshaw.
 Dalpat Singh, Sardar Bahadur Captain.
 Griffiths, Mr. P. J.
 Gwilt, Mr. E. L. C.
 Habibur-Rahman, Khan Bahadur Sheikh.
 Haidar, Khan Bahadur Shamsuddin.
 Imam, Mr. Saiyid Haidar.
 Ipskip, Mr. A. C.
 Ismaiel Alikhan, Kunwer Hajee.
 Jawahar Singh, Sardar Bahadur Sardar Sir.
 Jehangir, Sir Cowasjee.
 Kamaluddin Ahmad, Shamsul-Ulema.
 Khare, The Honourable Dr. N. B.
 Krishnamoorthy, Mr. E. S. A.

Kushal Pal Singh, Raja Bahadur.
 Lawson, Mr. C. P.
 Maxwell, The Honourable Sir Reginald.
 Miller, Mr. C. C.
 Muazzam Sahib Bahadur, Mr. Muhammad.
 Mudaliar, The Honourable Dewan Bahadur
 Sir A. Ramaswami.
 Ogilvie, Sir Charles.
 Piare Lall Kureel, Mr.
 Raisman, The Honourable Sir Jeremy.
 Richardson, Sir Henry.
 Roy, The Honourable Sir Asoka.
 Shahban, Khan Bahadur Mian Ghulam Kadir
 Muhammad.
 Sheehy, Sir John.
 Siva Raj, Rao Bahadur N.
 Spence, Sir George.
 Stokes, Mr. H. G.
 Sultan Ahmed, The Honourable Sir
 Sundaresan, Mr. N.
 Thakur Singh, Capt.
 Trivedi, Mr. C. M.
 Tyson, Mr. J. D.

The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 16th March, 1944.

LEGISLATIVE ASSEMBLY

Thursday, 16th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

DESIRABILITY OF A SELECTION BOARD ON BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

450. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Railway Member please state if it is a fact that a Selection Board with one Muslim, one Hindu and one European Officer exists on the North Western Railway and various other Railways while such a one does not exist on the Bombay, Baroda and Central India Railway?

(b) Have Government considered the advisability of appointing a Selection Board on the Bombay, Baroda and Central India Railway in the same way as it exists on other State Railways?

The Honourable Sir Edward Benthall: (a) The question is not clear; Selection Boards are constituted when required in connection with promotion to selection posts in the subordinate cadre.

(b) Government have no reason to believe that the B., B. and C. I. Railway are not following the rules in the matter.

Mr. Lalchand Navalrai: In order to make the question clear, I think the Honourable Member means the Board sitting for examining the subordinates. In that case why should not that Railway do like that?

The Honourable Sir Edward Benthall: He refers to Selection Boards.

Mr. Lalchand Navalrai: There is a Selection Board in the North Western Railway. Why should not the B., B. and C. I. Railway follow the North Western Railway?

The Honourable Sir Edward Benthall: That is for recruitment and not for promotions.

PERCENTAGE OF MUSLIM UPPER SUBORDINATE AND LOWER GAZETTED OFFICERS ON BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

451. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Railway Member please state the percentage of Muslims in the Upper Subordinate and Lower Gazetted officers' services on the Bombay, Baroda and Central India Railway?

(b) Has any special ratio been worked out on the said Railway for Muslim officers? If not, have Government considered the advisability of fixing one and working it out in practice?

The Honourable Sir Edward Benthall: (a) In Upper Subordinate Grades, Muslims held 4.9 per cent of appointments. There is no Lower Gazetted Service on the Bombay, Baroda and Central India Railway.

(b) No, recruitment to gazetted ranks is on an all-railway basis and Muslims have a 25 per cent. reservation in such recruitment. It is not practicable to fix a separate percentage for each railway.

Seth Yusuf Abdoola Haroon: Has the ratio of 25 per cent. been reached in the case of Muslims in the Bombay, Baroda and Central India Railway?

The Honourable Sir Edward Benthall: No, Sir. The quota percentage for recruitment of Muslim subordinates on the Railway is 18 per cent. but it does not apply to gazetted ranks.

ABSENCE OF MUSLIM CHIEF CLERKS ON BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

452. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Railway Member please state if it is a fact that the post of Chief Clerk in no district on the Bombay, Baroda and Central

India Railway is held by a Muslim? If not, in how many districts is it held by Muslims?

(b) Is it a fact that the absence of Chief Clerks on the Bombay, Baroda and Central India Railway is causing discontent among the Muslim employees?

(c) Have Government considered the advisability of securing the posts of Chief Clerks to some Muslims and removing the complaints of the Muslim employees?

The Honourable Sir Edward Benthall: (a) Yes; the second part does not arise.

(b) No.

(c) Promotions are not made on communal considerations.

DESIRABILITY OF ABOLISHING STAFF COMMITTEE ON BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

453. *Seth Yusuf Abdoola Haroon (on behalf of **Qazi Muhammad Ahmad Kazmi**): Will the Honourable Member for Railways kindly state whether Government have considered the advisability of abolishing Staff Committee on the Bombay, Baroda and Central India Railway?

The Honourable Sir Edward Benthall: No.

UNSATISFACTORY CATERING ARRANGEMENTS FOR MUSLIMS ON BOMBAY, BARODA AND CENTRAL INDIA RAILWAY.

454. *Seth Yusuf Abdoola Haroon (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Has the attention of the Honourable the Railway Member been drawn to the unsatisfactory catering arrangements for Muslims on the Bombay, Baroda and Central India Railway both on stations and in trains?

(b) Is it or is it not a fact that there is no Muslim Catering Inspector on the Bombay, Baroda and Central India Railway, and, as such, the catering arrangements for Muslims are not properly looked after?

(c) Have Government considered the advisability of appointing some Muslim Catering Inspectors on the Bombay, Baroda and Central India Railway and removing this complaint of the Muslims?

The Honourable Sir Edward Benthall: (a) Government are informed that there have been no special complaints from the travelling public of unsatisfactory catering arrangements for Muslims on the B., B. and C. I. Railway. Quarterly statements of any complaints received are placed before the Local Advisory Committees for their information.

(b) There is no Muslim Catering Inspector, but I am unable to accept the inference that the catering arrangements for Muslims are on this account not properly looked after. The arrangements are supervised by Indian and European Catering Inspectors and are also subject to inspection by the medical staff.

(c) In view of the replies to (a) and (b) above, this does not arise.

Mr. Lalchand Navalrai: May I know from the Honourable Member what is meant by special complaints?

The Honourable Sir Edward Benthall: There are always some complaints about catering matters. There has not been any serious complaint.

Mr. H. A. Sathar H. Essak Sait: Arising out of part (a) I wonder if the Honourable Member is aware that there are very few important stations on the line between Delhi and Bombay on the Bombay, Baroda and Central India Railway where there is any arrangement for Muslim food and there is no Muslim Refreshment Room?

The Honourable Sir Edward Benthall: Well Sir, a very distinguished member of the Honourable Member's Party sits on the Board of the Local Advisory Committee and also the Branch Advisory Committee and that is the proper place for these questions to be ventilated. If the Honourable Member will bring these points to the attention of the Honourable Member in question he would be in a position to represent the same to the Advisory Committees.

BLOCK ON THE PROMOTION OF STATION CORRESPONDENT CLERKS ON NORTH WESTERN RAILWAY.

455. *Mr. Lalchand Navalrai: (a) With reference to the Honourable the Railway Member's reply to parts (c) and (d) of starred question No. 311, asked on the 19th November last, with regard to the grievances of the North Western Railway Station Correspondence Clerks, will the Honourable Member be pleased to state whether his attention has been drawn to a memorial submitted to the authorities on the 31st January last? If so, what action was taken in the matter?

(b) Are Station Correspondence Clerks allowed opportunities for transfer to the Divisional Office? If not, why not?

The Honourable Sir Edward Benthall: (a) I understand the General Manager, N. W. Railway, has not yet received the memorials through the proper channel. When they are so received, they will be dealt with.

(b) No, because such transfers are not ordinarily in the interest of the service.

Mr. Lalchand Navalrai: May I know from the Honourable Member if he is considering the question of these Correspondence Clerks, because they have been complaining for a very long time?

The Honourable Sir Edward Benthall: Sir, several questions have been put in this House and I would particularly refer my Honourable friend to my replies to his question No. 311 on the 19th November, 1943.

TRAINING OF COMMERCIAL GROUP STUDENTS AT NORTH WESTERN RAILWAY WALTON SCHOOL.

456. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that Commercial Group students are trained at the North Western Railway Walton School in both goods and coaching duties?

(b) Is it a fact that recently a batch of such students was trained in goods duties only?

(c) What was the communal composition of the group referred to in (b) above?

(d) What steps do Government propose to take to see that the efficiency of services is not lowered by training the Commercial Group students in one subject only?

The Honourable Sir Edward Benthall: (a) Yes, ordinarily.

(b) Yes.

(c) 15 Muslims, 4 Sikhs and 2 Hindus qualified in the Course.

(d) The procedure adopted was necessary to meet present circumstances and there will be no loss of efficiency as the men are trained for the duties they will perform.

Mr. Lalchand Navalrai: Are these goods duties specially provided for one class of clerks and other duties separately for each class of clerks?

The Honourable Sir Edward Benthall: Normally students in the school are trained both in goods and coaching duties and the course lasts for about five months. But owing to the emergency, the need for getting trained men quickly on account of the war, it was decided to train a batch of men in goods work only. They were, therefore, trained for about two and a half months, i.e., half the period, and thus they became available within a short period.

Mr. Lalchand Navalrai: May I know if the Honourable Member knows that at present there is a system going on there which is that in the goods line only persons of one community are taken and not from all communities?

The Honourable Sir Edward Benthall: I am not aware of that.

Mr. Lalchand Navalrai: Will the Honourable Member look into it, or at least direct the officer in charge there that he should take persons from all communities?

The Honourable Sir Edward Benthall: I will consider that.

SUPERINTENDENT OF NORTH WESTERN RAILWAY WALTON SCHOOL.

457. *Mr. Lalchand Navalrai: (a) Will the Honourable Member for Railways be pleased to state how long the present Superintendent of the North Western Railway Walton Training School has remained there?

(b) Where was he before?

(c) Who was his predecessor, and how long did he remain there?

(d) Is it a fact that the students are not satisfied with the food arrangements, and that the Superintendent discourages any complaints on the threat of disciplinary action?

The Honourable Sir Edward Benthall: (a) Since 13th February, 1940.

(b) Assistant Operating Officer, Simla.

(c) Mr. R. Proudlock; for about 18 months with a short break.

(d) No.

Mr. Lalchand Navalrai: May I know if the Honourable Member has made enquiries to the effect that the officer in charge of the North Western Railway Walton School acts like an autocrat and a bureaucrat and deals very arbitrarily? Will the Honourable Member make enquiries or at any rate tell the General Manager to look into this matter?

The Honourable Sir Edward Benthall: That is contrary to my information.

COAL SUPPLY TO PETTY CONSUMERS.

458. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable Member for War Transport please state if it is a fact that those small coal consumers whose consumption of coal is limited up to a minimum of two wagons a month including those who are engaged in war work have been compelled to obtain their supplies from the stock of the Director General, Munitions Production, built up at Shalimar, Bengal Nagpur Railway, by their agents Anrita Lal Jha and Company and at Howrah by Messrs. Bird and Company?

(b) Are these arrangements made by the Controller of Coal Distribution, the Chief Mining Engineer, the Railway Board and the Director General, Munitions Production, without calling any public tender for it with the effect that small consumers are compelled to pay exorbitant rates for any quantity of coal?

(c) Is it a fact that agents at Shalimar are charging Rs. 22 for steam coal and Rs. 25 for smithy coal and Rs. 38 for hard coke plus a loading charge of Rs. 3-12-0 per ton? Is the Honourable Member aware of the fact that loading charges were Re. 0-4-0 to Re. 0-6-0 per ton as per schedule?

(d) What are the reasons for adopting such procedure? Is it not a fact that coal supplies had to be done by full and half rates formerly? Why did not the Coal Controller continue that system which kept on transport facilities?

The Honourable Sir Edward Benthall: (a), Yes Sir. Coal and coke dumps have been set up at Howrah and Shalimar under the charge of the Director General, Munitions Production, in order to facilitate supplies of about 1,000 tons a month to a large number of small firms in the Calcutta area engaged on war production, whose requirements are less than 2 wagons a month.

(b) Coal for the dumps is purchased through the agency of the Chief Mining Engineer, Railway Board from collieries most conveniently situated from a transport point of view. In some cases mills and factories not favourably situated have had to pay higher rates on account of the road transport involved, but without these arrangements it would not have been possible to ensure supplies to these industries at all.

(c) Information is being collected and will be laid on the table in due course.

(d) The dumps were set up in order to ensure regular supplies and avoid the serious transport difficulties that were encountered previously in the supply and distribution of wagons to a large number of small concerns in the Calcutta area. This involved uneconomical rail transport in consigning individual wagons to different depot stations all over the Calcutta area.

Mr. Amarendra Nath Chattopadhyaya: With regard to part (c) is it a fact that the loading charges are Rs. 3-12-0?

The Honourable Sir Edward Benthall: I have no information on that point.

COAL SUPPLY TO MOHINI MILLS BY MESSRS. ANDREW YULE & CO.

459. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable Member for War Transport please state with regard to the supply of coal to Mohini Mills by Messrs. Andrew Yule & Co., if it is not a fact that Messrs. Andrew Yule & Company have got not only a full rake siding but a double rake siding and Mohini Mills were prepared to handle 100 wagons a day at Kushtia Station? Will the Honourable Member refer to my questions sent to him for enquiry and find out the correctness or otherwise of the information given by the Coal Controller?

(b) Will the Honourable Member be pleased to state if, after normal transport facilities have been restored, he will consider the restoration of priority sanctions which have been abruptly stopped on account of breaches on Railways due to heavy floods? If so, does the Honourable Member propose to take immediate steps to restore all priority sanctions and restore supplies through ordinary channels?

The Honourable Sir Edward Benthall: (a) The information is being collected and will be laid on the table in due course.

(b) If the Honourable Member is thinking of traffic via Naihati normal transport conditions over this route are not likely to be restored for some time and only the highest priority traffic can be despatched by this route. On receipt of the information asked for I will consider the matter further.

Sir Henry Richardson: Is it a fact that since the Coal Controller is responsible for the allocation of wagons the size of anybody's sidings is completely irrelevant?

The Honourable Sir Edward Benthall: It may be so, but it does not seem to have any particular connection with this question.

CONTROLLER OF COAL ACTING AS PURCHASING AGENT FOR INDUSTRIES.

460. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable Member for War Transport please state if it is not a fact that the appointment of Controller of Coal was made with a view to transport coal without causing any inconvenience regarding supply of wagons and not to act as purchasing agents for industries?

(b) Is it a fact that the Coal Controlling Officer allowed the Indian Mining Federation, Indian Mining Association, Indian Colliery-owners' Association (who never directly traded in coal) and certain other private parties to supply coal to industries in Ahmedabad, Director of Industries, Baroda, Solapur Mills and various other concerns in India? Does the Honourable Member propose to take steps to stop this practice leading to damages to suppliers and compensate the suppliers who have suffered loss on account of such practice?

(c) Is it a fact that the Chief Mining Engineer of the Railway Board advertised for tender for 55,000 tons of coal on behalf of these Mills last year? Is it permissible for the Chief Mining Engineer to advertise tenders on behalf of private parties? Is he not advertising for Railways and Government requirements?

(d) Is it a fact that a firm has been given priority sanction in the name of Messrs. Multan Electric Supply Company and they sold away the wagons supplied in black market? Has any step been taken to punish the firm and does the Honourable Member propose to divulge the name of the party?

The Honourable Sir Edward Benthall: (a) The Controller of Coal Distribution was appointed to regulate the distribution of coal in the best interests of the country, but he has on occasions had to make arrangements either through members of the Colliery Associations or through the Chief Mining Engineer for supplies to consumers at their request, because their contractors had failed to supply and they were unable to make satisfactory arrangements elsewhere.

(b) and (c). Information is being collected and will be laid on the table in due course.

(d) Yes, a prosecution has been instituted and trial is proceeding.

RESTRICTIONS IMPOSED ON MOVEMENT OF RICE FROM BURDWAN, ETC., TO CALCUTTA.

461. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for War Transport be pleased to state if the restriction imposed on the movement of rice from Burdwan to Calcutta or from any station on the H.B. Chord Line to Howrah or Sealdah is still continuing, and if this restriction applies to individuals who are not rice dealers but who used to import paddy or milled rice grown in their own lands and keep in their private and personal stock for their own use in Calcutta without taking any rice for their consumption from the ration shops? If so, why is this restriction continued when breaches have been repaired and the Railway is cleared and trains are running normally? Does the Honourable Member propose to withdraw such restrictions, if continuing?

The Honourable Sir Edward Benthall: The Bengal Government have prohibited the movement of rice and paddy from all stations in the Burdwan District without special permission and have instructed railways not to deliver any consignment of rice at destinations except on the authority of the Director of Civil Supplies.

There is no restriction on movements in full wagon loads from stations on the Howrah Burdwan chord line to Howrah, but deliveries can only be made on the authority of the Director of Civil Supplies. There is an operating restriction on movements of wagon loads to Sealdah except in the case of those moving under the Bengal Government's programme.

Booking of small consignments is permissible both to Howrah and Sealdah, but the quantities which can be so moved in any one day are strictly limited and can only be delivered at destinations on the authority of the Director of Civil Supplies.

As these restrictions are mainly connected with the rationing scheme and not with railway operation, the latter part of the question does not arise.

SMALL COIN DIFFICULTIES AT BURDWAN RAILWAY STATION.

462. *Mr. Amarendra Nath Chattopadhyaya: (a) Is the Honourable Member for Railways aware that difficulties and inconveniences are still caused to passengers in the matter of small coin changes, and that passengers have to part with their balances after purchasing tickets on many stations, particularly at Burdwan Station and particularly in the lower class booking office?

(b) Is it not a fact that during the months from January to July, 1942, the Railway Treasury received from station earnings from small change worth Rs. 5,82,000, whereas during the corresponding period of 1943, Railway Treasury got Rs. 94,000 only? If so, will the Honourable Member be pleased to state if he would enquire whether small coins to the tune of ten lakhs had been exchanged outside by Railway people on a premium between half and one anna per rupee? Will the Honourable Member try to check such dishonest dealings by appointing Committees of Enquiry?

The Honourable Sir Edward Benthall: (a) It is possible that there may at times still be some difficulty and inconvenience at some stations in spite of the recent improvement in the small change position but I have no information that this is particularly the case at the Burdwan lower class booking office.

(b) The answer to the first part of the question is in the affirmative. In reply to the second portion, Government have no information that small change was bartered in the manner indicated. The third part of the question does not, therefore, arise.

Dr. Sir Zia Uddin Ahmad: In view of the reply to part (b) of the question, may I ask whether the Honourable Member enquired what was the reason of this shortage, this fall in the receipt of small coins? Is it not a fact that the booking clerks are dealing in this thing as a business proposition and are selling them for profit?

The Honourable Sir Edward Benthall: The matter has been carefully gone into both by the police and by the officers of the railways. Of course, it is

STARRED QUESTIONS AND ANSWERS

capable of quite an opposite interpretation, that is, that most of the small coins received are put back into circulation to railway clients.

Mr. H. A. Sathar H. Essak Sait: In view of my Honourable friend's admission that there is a possibility of this thing continuing for some time more on certain sections of the railway, will he consider the suggestion that I made two years ago that coupons may be allowed to be given in exchange, in place of change. I made the suggestion to the Honourable the Finance Member. He said that he would consider it, but I do not know what the decision was.

The Honourable Sir Edward Benthall: I think the matter was considered, but I will refresh my memory.

Mr. H. A. Sathar H. Essak Sait: Is he willing to see that this coupon system is introduced?

The Honourable Sir Edward Benthall: Without further consideration I cannot give any undertaking. I think it has been looked into but found impracticable. I will look into it again.

Mr. H. A. Sathar H. Essak Sait: Is my Honourable friend aware that on certain tramway lines and big motor lines, the system is working and very satisfactorily too?

The Honourable Sir Edward Benthall: I have heard of that, but the same conditions may not apply here.

Dr. Sir Zia Uddin Ahmad: Is it not a fact that this thing was tried in Moradabad in the United Provinces, and coupons of four annas were given?

The Honourable Sir Edward Benthall: I will look into it.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

DESIRABILITY OF SPEEDY TRANSPORT OF GHEE, ETC., FROM DARBHANGA, ETC., TO CALCUTTA.

463. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for Railways be pleased to arrange for the speedy transport of ghee, butter and similar foodstuffs from stations like Darbhanga, Madhupur, Dinajpur, to Calcutta via Howrah and Sealdah? Is he aware of the fact that it takes fifteen days now for a tin of butter or ghee to come from Darbhanga to Calcutta?

The Honourable Sir Edward Benthall: I am not aware of such delays and will bring the matter to the notice of the railways concerned for such action as they are able to take.

EXPANSION OF THE METEOROLOGICAL DEPARTMENT.

464. *Maulvi Muhammad Abdul Ghani: Will the Secretary of the Posts and Air Department please state:

(a) whether expansion in the Department of Meteorology was sanctioned, if so, when;

(b) the existing strength under the heads (i) Superintending Meteorologists, (ii) Meteorologists, (iii) Assistant Meteorologists, (iv) Professional Assistants, (v) Meteorological Assistants, (vi) Senior Observers and clerks, and (vii) Observers and clerks;

(c) the additional strength sanctioned under each category mentioned in part (b) above;

(d) the total number of Muslims under each head mentioned in parts (b) and (c) above;

(e) the number of persons promoted to each of the Services mentioned in (b) from the lower ranks, the minimum period after which such promotion was allowed, and the number of Muslims so promoted and the minimum period after which such promotion was allowed in case of Muslims,

(f) whether persons promoted to higher ranks were put under training; if not, why not;

(g) the total target under each head mentioned in (b) brought up-to-date; and the number of Muslims; and

(h) the names of Meteorological Centres of different types and additions made till 1943 in each type?

† Answer to this question laid on the table, the questioner having exhausted his quota.
‡ Answer to this question laid on the table, the questioner being absent.

Sir Gurnath Bewoor: (a) Yes, in 1942 in connection with War requirements.

(b) The Honourable Member is referred to the reply I gave on the 13th instant to parts (a) and (b) of his starred question No. 344.

(c) The additional posts in all categories sanctioned since 1942 total 802. Figures under each category cannot be supplied due to security reasons.

(d) and (e). Information is being collected and such information as can be supplied will be laid on the table in due course.

(f) In general, yes. Exceptions have, however, been made in cases where (i) men had already got training within their departmental experience or (ii) men were required immediately for particular duties.

(g) and (h). The information cannot be supplied for security reasons.

MUSLIMS RECRUITED AS TELEGRAPHISTS, ETC.

†465. *Maulvi Muhammad Abdul Ghani: Will the Secretary for Posts and Air be pleased to state:

(a) the total recruitment made under (i) Telegraphists, (ii) Telegraph Masters, (iii) Wireless Operators, and (iv) Wireless Supervisors, during 1941, 1942 and 1943, separately, all over British India, and the number of Muslims under each head;

(b) the proportion of direct and departmental recruitment in various stages of services under the Posts and Telegraphs Department; and

(c) the method of selection for the posts of Inspectors, Superintendents and other high services of class II and I?

Sir Gurnath Bewoor: (a) to (c). Sir, I lay on the table three statements giving the information asked for.

Statement No. 1 in reply to part (a).

	1941		1942		1943	
	Total number recruited.	Number of Muslims.	Total number recruited.	Number of Muslims.	Total number recruited.	Number of Muslims.
Telegraphists	228	64	157	62	Information not yet available.	
Telegraph Masters	41	2	38	3		
Wireless Operators	51	Nil.	24	1	32	Nil.
Wireless Supervisors	4	Nil.	4	Nil.	122	24
					1	Nil.

NOTE.—In the case of wireless operators, there is direct recruitment and in the case of telegraphists both direct and by promotion. The figures for wireless operators and telegraphists are for the number selected for appointment.

In the case of Telegraph Masters and Wireless Supervisors, appointment is entirely by promotion. The figures given are those of men who were permanently appointed during the year.

Statement No. 2 in reply to part (b).

Grade or Service.	Percentage of recruitment made	
	By direct recruitment.	By departmental promotion.
(Grades or services to which recruitment is made exclusively by promotion have not been included.)		
Assistant Divisional Engineers, Telegraphs (including Assistant Controller of Telegraph Stores and Junior Electrical Engineer).	75	25
Postal Superintendents Service, Class II	50	50
Engineering Supervisors	75	25
Instrument Testers, Assistant Foremen, Estimators and Examiners.	100	—
Wireless Operators		
P. & T. Accountants Service	33 1/3	66 2/3
All clerical grades (except second division clerks in Circle Offices and first division clerks in other offices) and telephone operators.		
Second division clerks in Circle Offices	80	20
	50	50

† Answer to this question laid on the table, the questioner being absent.

Percentage of recruitment made

Grade or Service.	Percentage of recruitment made	
	By direct recruitment.	By departmental promotion.
Telegraphists	75	25
Mistries	80	20
Linemen	50	50
Compositors, Timekeepers, Conservancy Inspectors, Inspectors of Peons and Boy Peons.	100	—
Superintendents of Telegraph Workshops and Assistant Superintendents of Telegraph Workshops.	If suitable departmental officials are not forthcoming, the posts may be filled by outsiders.	
Postmen, Mail Guards, and Village Postmen; Wiremen, Inferior Servants in all branches.	Direct recruitment is resorted to only if sufficient departmental candidates do not qualify in the prescribed examination.	

NOTE.—If the required number of qualified and suitable departmental men are not available, the posts are filled by direct recruits.

Statement No. 3 in reply to part (c).

Grade or Service.	Method of Selection.
Inspectors of Post Offices and R. M. S. (including Head Clerks to Superintendents of Post Offices).	By selection on the results of a qualifying examination.
Superintendents of Post Offices and R.M.S. including Assistant Postmasters-General, and Assistant Directors, Posts and Telegraphs, Karachi.	For departmental officials, on the principle of pure selection from among Inspectors and for direct recruits on the results of a competitive examination held by the Federal Public Service Commission.
Postmasters Service, Class II (Rs. 300—650 grade and Rs. 700—800 grade).	By selection from the best officers in the next lower grades, seniority being regarded only where all other considerations are practically equal.
Telegraph Traffic Service, Class II, Grade I	By selection from Grade II of the cadre, seniority being regarded only when all other considerations are practically equal.
Telegraph Traffic Service, Class II, Grade II	By promotion from the grade of Telegraph Masters strictly by selection.
Foremen, First and Second Class	By promotion on the principle of seniority-cum-fitness.
Assistant Engineers, Telegraphs, Telephones, Electrical and Wireless.	By promotion by selection of the best man available in the branch concerned.
Deputy Assistant Engineers, Telegraphs, Telephones, Electrical and Wireless.	By promotion on the principle of seniority subject to rejection of the unfit.
Superintendent of Telegraph Workshops and Assistant Superintendent of Telegraph Workshops.	By promotion on the principle of pure selection.
Controller of Telegraph Stores	By promotion of Assistant Controller of Telegraph Stores or by a suitable officer of the Telegraph Engineering Service, Class I.
Assistant Divisional Engineers, Telegraphs (including Assistant Controller of Telegraph Stores and Junior Electrical Engineer).	By promotion on the advice of the Federal Public Service Commission and by direct recruitment on the results of a competitive examination held by that body.
Divisional Engineers, Telegraphs including Assistant Chief Engineer Telegraphs, Senior Electrical Engineer, and Chief Electrician, Wireless.	By promotion on the principle of seniority subject to the rejection of the unfit.
Assistant Deputy Director General	By selection from the best officers of the Department, seniority being regarded only where other qualifications are practically equal. (These are tenure posts).
Deputy Postmasters-General, Presidency Postmasters and Officers of the Telegraph Traffic Service, Class I.	By promotion on the principle of selection on the advice of the Federal Public Service Commission.
Directors of Telegraphs, including Electrical Engineer-in-Chief and Deputy Chief Engineer.	By selection from the best officers of the Department, seniority being regarded only where other qualifications are practically equal.
Postmasters-General, including Deputy Directors General.	

HOLIDAY FOR JUMAT-UL-WIDA NOT GRANTED TO MUSLIMS IN DIVISIONAL SUPERINTENDENT'S OFFICE, DELHI.

466. *Mr. H. M. Abdullah: (a) Is the Honourable the Railway Member aware that the Muslim staff employed in the Divisional Superintendent's Office, Delhi, were not given holiday for Jummat-ul-Wida (last Friday of Ramzan) last year?

(b) If the reply to (a) be in the affirmative, what were the reasons for denying the staff the privilege which they were enjoying in the past?

(c) Is it a fact that some of the Muslim staff were not even given casual leave when applied for on the occasion?

The Honourable Sir Edward Benthall: (a) Yes.

(b) I understand the Delhi Division, which generally follows the practice of the Headquarters Office in this matter, did not receive any instructions from the Headquarters Office to declare the day a holiday. Nevertheless, staff who could conveniently be spared, were permitted to avail themselves of casual leave for the day.

(c) Yes, those who could not be spared.

Mr. Muhammad Nauman: May I know whether it has been the practice in the past in the Delhi Division to allow them to go without any sanction from the headquarters?

The Honourable Sir Edward Benthall: The Delhi Division takes its instructions from the Headquarters Office. On this occasion, for some reason, they did not receive any instruction.

Seth Yusuf Abdoola Haroon: Is the Honourable Member prepared to follow the system adopted in the Posts and Telegraphs Department and give an assurance to that effect?

The Honourable Sir Edward Benthall: I am quite prepared to discuss it with the Department with a view to co-ordinate the policy in this matter.

MUSLIM EMPLOYEES' GRIEVANCES IN RAILWAY PARCELS OFFICE, DELHI.

467. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to refer to starred question No. 371, dated the 24th March, 1943, regarding Muslim employers' grievances in the Railway Parcels Office, Delhi, and his reply thereto, and state if the question and its reply were sent to the General Manager, North Western Railway?

(b) If the reply to (a) above is in the affirmative, what action was taken by the General Manager, North Western Railway?

(c) Are the grievances of Muslims to be ignored on the ground that the Parcel Branch, Delhi Main, which consists of an establishment of 500 persons, is a 'small office' as mentioned in his reply?

(d) What action do Government propose to redress the grievances of Muslim employees of this office?

The Honourable Sir Edward Benthall: (a) Yes.

(b) The Railway informs me that the question was looked into and that no action was called for.

(c) What I stated was that I receive no information of such details, but undertook to direct the attention of the Railway to the complaint. This does not warrant the suggestion now made.

(d) Government propose to take no action, as the Railway have looked into the question and consider that there are no grounds for holding that any community has been victimised.

RAISING THE GRADE OF HEAD CLERK, COMMERCIAL BRANCH, DIVISIONAL SUPERINTENDENT'S OFFICE, DELHI, AND HEAD CLERK, ASSISTANT OPERATING OFFICER, SIMLA.

468. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that the post of the Head Clerk, Commercial Branch, Divisional Superintendent's Office, Delhi, and the Head Clerk, Assistant Operating Officer, Simla, was temporarily raised from Grade IV to Grade V on account of additional work?

(b) Is it a fact that additional work in the Commercial Branch of the Divisional Superintendent's Office has been transferred to another section which has been created for the purpose, and the claim and refund work of the Assistant Operating Officer's Office, Simla, has been transferred to the Headquarters Office, thereby reducing the responsibilities of the Head Clerks concerned?

(c) Is it a fact that these posts have not been reduced to grade IV, although the extra work is no longer there?

(d) Do Government propose to reduce these posts? If not, why not?

The Honourable Sir Edward Benthall: (a) The posts of Head Clerk, Commercial Branch, Divisional Superintendent's office, Delhi, and Head Transportation Clerk of the Assistant Operating Officer, Simla, have been raised temporarily to Grade V.

(b) No, because the additional section created in the Divisional Superintendent's office still continues under the same Head Clerk, while the Claims and Refund work of the Assistant Operating Officer, Simla, although now transferred to the Headquarters Office, was not part of the work entrusted to the Head Transportation Clerk.

(c) The posts continue in Grade V, as there has been no diminution in the work which justified their upgrading.

(d) No, for the reason already stated.

COMMUNAL PERCENTAGE PRESCRIBED FOR PROMOTIONS FROM INFERIOR TO SUBORDINATE SERVICE ON RAILWAYS.

469. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to state whether it is a fact that promotions from inferior to subordinate service on Railways, are subject to communal percentages prescribed for direct recruitment?

(b) Is it a fact that one of the reasons for applying communal percentages to such promotions is that the staff in the inferior service have no claim and do not look forward to promotions in the subordinate service in the ordinary course?

(c) Is it a fact that promotions from subordinate to gazetted service do not fall within the ordinary channel of promotion, and that the staff in the subordinate service cannot claim such promotion as a matter of right?

(d) If the replies to (b) and (c) are in the affirmative, why are not communal percentages applied to promotions from subordinate to gazetted service?

The Honourable Sir Edward Benthall: (a) and (b). Yes.

(c) No, because promotion of subordinates to gazetted ranks has always been a recognised channel of promotion. As regards the second part, no staff can claim any promotion as a matter of right.

(d) Does not arise.

Mr. Muhammad Nauman: May I ask the Honourable Member if efforts are being made by the administration to see that the Muslims get a reasonable proportion? It may not be a communal quota but will efforts be made to see that every community gets a square deal?

The Honourable Sir Edward Benthall: I do not see how that arises out of this question.

Mr. Muhammad Nauman: It arises, because Government have made no effort in that line.

The Honourable Sir Edward Benthall: Which portion of the question is the Honourable Member referring to?

Mr. Muhammad Nauman: Part (c).

Mr. Lalchand Navsrai: Much wants more! Is it a fact or not?

MAXIMUM AGE FOR INFERIOR SERVANTS FOR PROMOTION TO SUBORDINATE POSTS ON NORTH WESTERN RAILWAY.

470. *Mr. H. M. Abdullah: Will the Honourable Member for Railways be pleased to state whether it is a fact that the General Manager, North Western Railway, has fixed 35 years as the maximum age for inferior servants for promotion to subordinate posts?

The Honourable Sir Edward Benthall: Yes.

471. *Mr. K. C. Neogy: I do not propose to put this question as it has been answered substantially.

MUSLIM OFFICERS RECRUITED TO CERTAIN GRADES BY THE CALCUTTA OFFICE OF SUPPLY DEPARTMENT.

472. *Nawab Siddique Ali Khan: Will the Honourable the Supply Member be pleased to state:

(a) the total number of appointments made by direct recruitment by the Calcutta Office of the Supply Department, since it was established there, to the following posts:—

- (i) Assistant Engineers (Mechanical, Electrical, Metallurgical and Civil);
- (ii) Senior Technical Assistants (Engineering, Provision, Stores, Railway Stores and miscellaneous);
- (iii) Industrial and Assistant Industrial Planning Officers (Engineering, Provision Stores, etc.);
- (iv) Progress Officers;
- (v) Assistant Progress Officers;
- (vi) Assistant Directors of Stores and equivalent; and
- (vii) Deputy Assistant Directors of Stores and equivalent;

(b) the number of Muslims recruited under each of the above categories;

(c) whether it is a fact that selection and appointment to the above and most of the other technical posts are made only by the Calcutta office;

(d) whether the recruiting authorities at Calcutta are adhering to the percentage fixed for Muslims by the communal Government Order; if not, why not;

(e) if it is a fact that even fully qualified Muslim applicants are rejected by the officer on special duty (Recruitment); and

(f) whether the Honourable Member proposes to call for particulars of the rejected Muslim applications so far and satisfy himself after personal scrutiny whether this is so?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). The categories of posts mentioned at (i), (v) and (vii) of part (a) do not exist in the Directorate General, Munitions Production, Calcutta. A statement giving the required information as regards the remaining categories of posts, viz., (ii), (iii), (iv) and (vi) is placed on the table.

(c) The selection of candidates is made by the Calcutta Office, but their appointments are sanctioned by the Supply Member.

(d) Since the majority of the posts specified in the categories mentioned above are of a specialised and technical character, it is not possible to adhere strictly to any communal ratios.

(e) No.

(f) I am prepared to review the cases of the rejected candidates.

Statement showing the total number of appointments made by direct recruitment to the categories of posts mentioned at (ii), (iii), (iv) and (vi) of part (a) of the Question by the Calcutta Office of the Supply Department since it was established there, and the number of Muslims recruited under each of the above categories.

Categories.	Number of appointments made by direct recruitment.	Number of Muslims recruited.
1	2	3
Senior Technical Assistants	24	Nil.
Industrial Planning Officers	24	Nil.
Assistant Industrial Planning Officers	43	2
Progress Officers	4	Nil.
Assistant Directors of Stores and equivalent	13	2

The figures shown in column 2 of the above statement exclude the number of appointments made by persons already serving in the D. G. M. P. The numbers of such appointments respectively are 11, 18, 21, 3 and 7 involving one Muslim each under the category of I. P. Os. and A. I. P. Os.

There are no posts designated as "Assistant Engineers" mentioned in Part (a) (i) of the question, but there are Assistant Civil Engineer Advisers in the O. F. Division. No direct recruitment has been made to these posts.

Mr. H. A. Sathar H. Essak Sait: With reference to the reply to part (d), may I ask whether any attempt was made to see if these communal proportions could be kept up, whether advertisements were issued to find out whether there were people qualified to apply for these posts?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Advertisements have been issued, particularly recently it is almost a rule that such advertisements should be issued and candidates with qualifications are invited to apply. According to general instructions from Delhi careful scrutiny is made of qualified candidates of minority communities.

SIKHS IN CERTAIN CADRES AT AMMUNITION FACTORIES AT ISHAPORE, ETC.

473. *Sardar Sant Singh: (a) Will the Honourable the Supply Member please state the number of Sikhs, with their qualifications, now working in the Ammunition Factories at Ishapore, Moradnagar, Kirkee and Jubbulpore, in (i) gazetted posts, (ii) as foremen, (iii) as Assistant Foremen, and (iv) as Chargemen?

(b) How many posts in the above cadres have been created in each of these factories since April, 1943, and what consideration has been shown to Sikhs in the matter of appointment or promotion to those posts?

(c) What is the percentage of Sikhs in the above grades in these factories as compared to other communities?

(d) Is the Honourable Member aware of the huge contribution towards War effort by the Sikhs?

(e) Is the Honourable Member prepared to give greater weightage to Sikhs in the said grades than they have had so far? If not, why not? If so, when?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a), (b) and (c). Statements giving the required information are placed on the table. No particular consideration could be given to Sikhs or any other community in the matter of appointments to these posts, as in most cases the posts have to be filled by men possessing technical or special qualifications.

(d) I am aware of the contribution made by the Sikhs to the war effort.

(e) In view of the specialised and technical nature of the posts in question it is not possible to adhere to any strict communal proportions. Every effort will, however, continue to be made to recruit suitable Sikhs and members of other minority communities.

Statement showing the names of Sikhs with their qualifications, now serving in the Ammunition Factories at Ishapore, Moradnagar, Kirkee and Jubbulpore in (i) gazetted posts, (ii) as Foremen, (iii) as Assistant Foremen and (iv) as Chargemen.

(a) (i) In gazetted posts—Nil.

(ii) Foremen—Nil.

(iii) Assistant Foremen—Three.

Ishapore—

1. Mr. Makhan Singh, B.Sc., Mechanical Engineer, International University, Dover, U.S.A.

Moradnagar—

2. Mr. N. S. Nagpal, B.Sc., Electrical Engineering, Victoria University, Manchester.

3. Mr. H. S. Chauhan, B.A., Punjab University. (Asst. Store-holder).

(iv) Chargemen—Seven.

Ishapore—

1. Mr. M. Singh, promoted from T. E.

Jubbulpore—

2. Mr. Surain Singh, served apprenticeship in a private power station.

3. Mr. Amrik Singh Nagpal, Matriculate, Punjab University, studied Electrical and Mechanical Engineering, Royal Technical College, Glasgow.

4. Mr. Ujagar Singh, Motor Mechanic.

Kirkee—

5. Mr. Jodh Singh, B.Sc. (Eng.), Benares Hindu University.

6. Mr. S. S. Bedi (Records not immediately available).

Moradnagar—

7. Mr. S. D. Singh, Bevin Trainee.

Statement showing posts created since April 1943 in each of the factories and grades mentioned in part (a) of the question.

Factories.	Gazetted staff.	Foremen.	Assistant Foremen.	Charge-men.	Appointment or promotions made since April 1943.
Ishapore	2	4	4	5	Mr. M. Singh promoted Chargeman.
Jubbulpore	3	12	25	77	Messrs. Amrik Singh Nagpal and Ujagar Singh recruited.
Kirkee	—	—	2	5	Messrs. S. D. Singh, H. S. Chauhan and N. S. Nagpal recruited.
Muradnagar	—	—	—	—	

Statement showing the percentage of Sikhs in the different grades mentioned at (i) to (iv) of part (a) of the question.

Factories.	Gazetted staff.	Foremen.	Assistant Foremen.	Chargemen.
Ishapore	..	..	1.2	1
Jubbulpore	..	..	..	1
Kirkee	..	..	..	1.2
Muradnagar	..	..	7	2

DESIRABILITY OF APPOINTING A SIKH OFFICER IN THE RAILWAY BOARD OFFICE.

474. *Sardar Sant Singh: (a) Will the Honourable the Railway Member please state the attempts made by the Railway Board to bring in at least a Sikh Officer at the Headquarters Office (Railway Board)?

(b) Is he aware that there are quite a good number of senior as well as junior Sikh Officers but none has so far been appointed in the Railway Board Headquarters? If so, why?

(c) Is he aware of the general disappointment among the members of the Sikh community that their rights are never safeguarded?

(d) Is he also aware that members of other communities have always been appointed in the Railway Board barring a member of the Sikh community?

(e) Does the Honourable Member propose to see that some Sikh Officers are appointed in the Railway Board?

The Honourable Sir Edward Benthall: (a) Available officers possessing the necessary ability and experience are considered for posts in the Railway Board's office, and no special attempts have been made to cater for any particular community.

(b) There is at present a Sikh officer on Special duty with the Railway Board.

(c) I am not aware of any legitimate grounds for such disappointment.

(d) Does not arise.

(e) It is not considered that any action is called for.

Sardar Sant Singh: Is the Honourable Member aware that special efforts were made to bring a member of the Muslim community into the Railway Board by questions in this House?

The Honourable Sir Edward Benthall: I think that is so.

Sardar Sant Singh: Is it not a fact that the Railway Board did concede this concession to the Muslim community?

The Honourable Sir Edward Benthall: There are Muslims in the Board.

Sardar Sant Singh: May I know if the Railway Board did concede that principle or did not concede that principle. And may I ask if they did concede that principle and did bring in some Muslim members into the Railway Board to safeguard their interests?

The Honourable Sir Edward Benthall: I am not aware of what happened in the past, but, generally speaking, officers are chosen for their ability and experience.

Sardar Sant Singh: May I know if similar treatment—not special favour—will be meted out to the Sikhs as is meted out to Muslims?

The Honourable Sir Edward Benthall: If there are qualified Sikhs with ability and experience suitable for this post, they will be considered.

Mr. Lalchand Navalrai: If you are showing a favour to Sikhs, why not to Sindhis also? An attempt should be made to introduce a Sindhi into the Board.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. Next question

COAL SUPPLY TO THE GLASS BANGLE INDUSTRY, FIROZABAD.

475. *Mr. N. M. Joshi: (a) Is the Honourable Member for War Transport aware of the fact that only 50 wagons of coal were supplied for the glass bangle industry in Firozabad throughout the year 1943, while the figure for 1941 was as high as 3,000 wagons of coal?

(b) What measures have Government adopted to give reasonable supply of coal to ease the acute crisis in the glass bangle industry of Firozabad?

The Honourable Sir Edward Benthall: (a) and (b). I have no precise information of the number of wagons supplied to the glass bangle industry at Firozabad in 1941 or 1943, but coal is not available in full quantities for all industries and industries considered essential must have priority. The glass bangle industry has a very low priority and for increased supplies of coal must obtain the backing of the Provincial Government and the Industries and Civil Supplies Department of the Government of India.

Mr. N. M. Joshi: May I ask whether the Government of India had made inquiries from the Provincial Government and, if so, what do they say?

The Honourable Sir Edward Benthall: I have not the file with me. The question of priority has to be considered and the initiative must come from the Provincial Government.

Mr. N. M. Joshi: The glass bangles are very valuable consumer goods and in view of the fact that the Government of India have stated several times that they want to promote the use of consumer goods in India, may I know whether they will take into consideration the usefulness of providing bangles to the people of the country as consumer goods?

The Honourable Sir Edward Benthall: That question should be addressed to my colleague in the Industries and Civil Supplies Department.

Mr. N. M. Joshi: May I ask whether the Member for the Civil Supplies Department will consider the usefulness of bangles as consumer goods and help the production of bangles?

The Honourable Sir M. Azimul Huque: All these questions are relatively considered in connection with the number of goods which we have to deal with.

Mr. N. M. Joshi: Is the Honourable Member

Mr. President (The Honourable Sir Abdur Rahim): You cannot have a debate on this.

Mr. Jamnadas M. Mehta: Is the Honourable the War Transport Member aware that the shortage of coal in this particular city has led to the unemployment of 20,000 workers?

The Honourable Sir Edward Benthall: The question of unemployment in this particular city is one which should be taken up with the Provincial Government.

Mr. Jamnadas M. Mehta: Is it the failure of coal which has led to this unemployment?

The Honourable Sir Edward Benthall: The industry is using firewood for the purpose.

Mr. Jamnadas M. Mehta: Firewood takes much larger space than coal.

The Honourable Sir Edward Benthall: It travels over much shorter distance.

WANT OF WAGONS FOR TRANSPORT OF GLASS BANGLES FROM FIROZABAD.

476. *Mr. N. M. Joshi: (a) Is the Honourable Member for War Transport aware of the fact that since January last no wagons have been provided for export of a large stock of finished glass bangles worth seven million rupees and requiring 100 wagons for export is lying undisposed of in Firozabad causing closure of 37 out of 47 factories and threatening 60,000 people of Firozabad

town and nearby villages with acute starvation and 50,000 traders in the country with unemployment?

(b) What measures had he adopted or is going to adopt to avoid this calamity?

The Honourable Sir Edward Benthall: (a) I have ascertained that no full wagon loads of bangles have been loaded from Ferozabad since January, 1944, I am not aware that the consequences, to which the Honourable Member refers, have ensued.

(b) Movement of glass bangles from Ferozabad as smalls traffic is permissible and a regular service has been arranged, but at a time such as the present when all available wagons are required for the movement of essential traffic, they cannot be diverted to the carriage of glass bangles in full wagon loads. Movements of glass bangles in full wagon loads are arranged when possible and during the three months ending 31st January, 1944, approximately 77 wagons were provided for this traffic.

Mr. N. M. Joshi: May I ask whether the Government of India have arranged for the payment of some unemployment compensation to the unemployed persons in Ferozabad?

The Honourable Sir Edward Benthall: That is a question which should be taken up with the Provincial Government.

Mr. N. M. Joshi: May I ask whether the Government will make inquiries into the condition of this industry inasmuch as the interests of a large number of workers are involved and inasmuch as the glass bangle is very valuable consumer goods.

The Honourable Sir Edward Benthall: This question has been under consideration for a long time. The question of unemployment is one for the Provincial Government.

Mr. N. M. Joshi: May I ask whether the Government of India is not a Unitary Government and whether they can avoid considering the question

UNSTARRED QUESTION AND ANSWER.

CATERING FOR MUSLIMS ON OUDH AND TIRHUT RAILWAY.

139. Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways please state if it is not a fact that on all the important places of the Oudh and Tirhut Railway, food contract is a monopoly of Hindus, and Mussalmans are compelled to take meals prepared by them?

(b) If the answer to (a) is in the negative, what are the names of those who cater for Mussalmans at Darbhanga, Samastipur, Broani Junction, Muzaffarpur, Sonpur, Gorakhpur and other important stations?

The Honourable Sir Edward Benthall: (a) The Honourable Member's attention is invited to the reply given to part (a) of Dr. Sir Zia Uddin Ahmad's starred question No. 182 on the 18th February, 1943.

(b) I have called for the information from the Railway Administration and will lay it on the table, in due course.

MOTION FOR ADJOURNMENT.

CIVIL SUPPLIES COMMISSIONER'S ORDER REFUSING SUPPLY OF RICE TO SOUTH KANARA DISTRICT.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice of an adjournment motion from Mr. Hegde. He wants to discuss a definite matter of urgent public importance, namely, the order of the Commissioner of Civil Supplies dated 28th February 1944 (Madras) refusing supply of rice to the District of South Kanara where the food position is critical.

If this order was passed on the 28th February, why did not the Honourable Member come up before?

Sir K. B. Jinaraja Hegde (West Coast and Nilgiris: Non-Muhammadian Rural): I received information only yesterday from the President of the Co-operative Society

Mr. President (The Honourable Sir Abdur Rahim): That is not conclusive.

Sri K. B. Jinaraja Hegde: May I point out the urgency of the matter? The order was not published.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): The order was not published. How could the Honourable Member know?

Sri K. B. Jinaraja Hegde: The order was issued to the President of the Co-operative Stores, who is an Agent on behalf of the Madras Government for distribution of rice, in the district. When the rice stock was short, he wrote to the Collector who replied on 3rd March, 1944 as follows:

"The Government have since ordered that no more rice will be given to this district from outside. I do not, therefore, see any use in moving the Government in this matter."

This was a letter written to the President on the 3rd March, 1944, and that letter was based upon an earlier order. This was in reply to the President's request that the collector should apply to the Central Government.

Mr. President (The Honourable Sir Abdur Rahim): This is not a fit matter for a motion for the adjournment of the House and I rule it out of order.

THE GENERAL BUDGET—LIST OF DEMANDS—contd.

SECOND STAGE—contd.

Mr. President (The Honourable Sir Abdur Rahim): Today is the turn of the European Group. They will move their motion now.

Sir Henry Richardson (Nominated Non-Official): Sir, we wish to move cut motion No. 1, on Late List No. 3 under Demand No. 16.

Mr. President (The Honourable Sir Abdur Rahim): The cut motions which the European Group wished to move are Nos. 120 and 76 on the Final List. Surely, they cannot move now any other cut motion except those of which they have given notice.

Sir Henry Richardson: But the subject is the same.

Mr. President (The Honourable Sir Abdur Rahim): Very well.

DEMAND NO. 16—DEPARTMENT OF INDUSTRIES AND CIVIL SUPPLIES.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That a sum not exceeding Rs. 15,65,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Industries and Civil Supplies'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a sum not exceeding Rs. 15,65,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Industries and Civil Supplies'."

Supply of Consumer Goods as a Means of Anti-Inflation.

Mr. A. C. Inskip (United Provinces: European): Sir, I move:

"That the demand under the head 'Department of Industries and Civil Supplies' be reduced by Rs. 100."

At the outset, I should like to make it quite clear that my only object in moving this cut motion is to raise a debate on the supply of consumer goods as a means of anti-inflation and the measures which have so far been taken by Government to ensure that the consumer receives a fair return in terms of the things he has to buy. Now, Sir, I should like to deal with my subject in two parts: firstly, I should like to comment on the various controls and Ordinances which Government have introduced as an anti-inflationary measure; and, secondly, to comment on India's capacity to produce at least a portion of her requirements of vital consumer goods.

Now, Sir, the recent introduction of the Anti-Hoarding and Profiteering Ordinance was a measure which many of us will say was long overdue. It has, to a limited extent, arrested the anti-social practices of hoarding and profiteering, but, as the Leader of my Group stated in the House at the opening of the Budget debate last week, the policy and the administrative action is not producing results at the rate which the serious situation in the country demands. Part of the trouble is probably due to the financial control which is exercised before any administrative action can take place. Again, it may be due to the

[Mr. A. C. Inskip.]

various Government Departments placing a different degree of urgency on the proposed measure and in amplification of this I would quote an example. Some five months ago, it was agreed by Government to introduce a zoning scheme for the purchase of raw hides intended for the leather industry. This scheme had for its object a saving of unnecessary rail transport and the canalising of supplies to the various concerns who are engaged 100 per cent. on the production of leather for Defence Service requirements. The scheme called for the appointment of a number of controllers, but, I understand, considerable delay occurred before the Finance authorities could be persuaded to sanction this additional staff. Eventually, the sanction was forthcoming, but apparently the scheme is again held up because the authority responsible for sanctioning accommodation in Delhi has ruled that no accommodation for the additional staff can be provided. Then, Sir, again, in regard to the Hoarding and Anti-Profiteering Ordinance, I feel that a certain amount of effort which could perhaps be usefully employed on other things is being directed in the control of such luxury goods as fountain pens and watches. Certain Honourable Members were recently complaining on the floor of this House that they were unable to obtain their requirements of these two items. They would, however, have experienced a similar difficulty if they were resident in America or in the United Kingdom because luxury and non-essential goods of this type are not now being manufactured. Even if they were available, I contend that persons who require luxury goods of this kind in times like the present should be required to pay the full price for them.

Then, Sir, a number of controls now enforced would appear to have been introduced by Government without making full inquiries beforehand as to whether they can be efficiently operated. The Honourable the Finance Member has indicated the difficulties which are being experienced in obtaining trained and suitable personnel. These difficulties I appreciate; but is it a wise policy to introduce any sort of control if it cannot be rigidly and efficiently enforced? As one of our leading industrialists recently said: "some of the present controls are looked upon as a heaven-sent boon to the black market".

The success of the schemes introduced both in the United Kingdom and in America is due to the fact that control is exercised all along the line from the raw material supplier to the manufacturer and eventually to the actual consumer. By the introduction of their present rationing systems which, by the way, do not limit the amount to be spent, but only the number of articles which can be purchased during a stipulated period, the consumers in these two countries are assured of at least their minimum requirements, and, while I appreciate that it would be difficult to introduce a system of this kind into a country so vast as India, an effort should, I feel, be made to attempt some such system at least in the larger cities. In the absence of some sort of rationing of vital consumer goods, the tendency will continue to be for those items which are in short supply to find their way to the hoarder or at best to the most favoured customer.

In regard to the various controls affecting raw materials and production, are Government satisfied that this problem is being tackled from the right end? For, whereas organised industry is being penalised by these controls and also by an increasing rate of taxation, dealers and middlemen, over whom the Government have apparently not been able to exercise any effective control, are left alone to exploit the situation without paying any tax on the profit they make in the black market. As an example of this kind of thing, I would quote the industry in which I am particularly interested—the leather industry. Ceiling prices for raw hides were fixed by Government over two years ago and recently by an order under the Anti-Hoarding and Anti-Profiteering Ordinance, leather prices were pegged in relation to the ceiling prices fixed for hides. With what leather there is available for civilian needs, it should now be possible to place in the hands of the actual consumer a really first class and durable leather shoe at approximately Rs. 12 per pair. But what do we find? At no place in Delhi or elsewhere for that matter can you purchase a durable pair of shoes under Rs. 20 per pair.

Another complaint which I have heard voiced is the manner in which the various controls and Government orders are enforced by officials who have apparently no conception of the disorganisation which results when orders are issued without any sort of preliminary notice to the industry involved. Again, I would quote an instance from my own industry and I would apologise for referring so much to the leather industry, but it is one, of which I have the most intimate knowledge. During recent years the chrome leather section of the industry in this country has built up a very large export trade with the United Kingdom and the Middle East countries. Chrome leather of a type not suited for the manufacture of Defence Services footwear in this country has, for the past four years, been one of the permissible items which can be freely exported, and tanneries, particularly those situated in the Madras Presidency have been exporting large quantities to the United Kingdom and to other Allied countries. Without any prior reference to the trade or to the organisation which represents the interests of the trade, a Government order was issued, in January last, prohibiting with immediate effect the export of this commodity. This Government order had the effect of disorganising entirely that portion of the industry engaged in the export business and resulted in the virtual suspension of production. The matter was taken up with the Department concerned and eventually permission was granted to resume exports. But no valid reason was put forward as to why the original order prohibiting export was issued. My information is that the order was issued due to a misunderstanding, but the point I wish to stress is that due consideration should have been given to the effect the order would have on the industry before it was actually issued.

Having commented on the existing controls, I now turn to the second part of my subject, namely, India's capacity to produce at least a portion of her requirements of vital consumer goods. The Honourable the Finance Member when presenting his Budget for the current year made it clear that no further increase in the overall quantum of war demands on India's resources can be made without running a grave risk of economic collapse in this country. He further went on to say that an early lightening of India's present burden was necessary in order to release for vital civil needs certain types of supplies and productive capacity. In view of these comments, I should like to hear from the Honourable the Member for Industries and Civil Supplies as to what Government are going to do to implement these proposals. The demands on industry for war purposes both in this country and elsewhere must, of course, take precedence but in view of the enormous increase in productive capacity, particularly in America and the United Kingdom, the question, I feel we must now ask ourselves, is, whether the load is distributed in the correct proportion after due weight is given to the productive capacity available in Allied countries and the demand arising from the population in those countries for consumer goods. Certain major industries in this country, which, in normal times, cater for the domestic markets, have been engaged 100 per cent. on war contracts for the past four years and the civilian population has been deprived not only of the supply of its indigenous products, but of imports of similar goods and this situation has assisted in no small measure the inflationary tendencies which are so apparent today. The practice of taking over the entire output of any one industry for war purposes does not appear to have been followed either in America or in the United Kingdom; for apparently it was realised at the outbreak of the war that civilian demands must of necessity be catered for in order to sustain public morale and to counter inflation. In this connection, I am able to speak with first hand knowledge as I visited America last year and had the opportunity of making a close study of certain industries whilst there. If, therefore, that policy was considered necessary in western countries, then, Sir, it is equally necessary in India in times like the present. I trust, therefore, Government will give early consideration to the necessity of catering for the increased demand for the thousand and one other consumer goods which have been placed out of the reach of the ordinary man, not alone by the anti-social

[Mr. A. C. Inskip.]

practices referred to by the Honourable the Finance Member, but also by war time necessity in securing supplies for the armed forces.

Despite the rising tempo. of the war and the enormous contribution the U.S.A. has made towards the common effort, she is already in a position or will shortly be in a position to turn over to an increasing extent certain of her industries to the production of essential items for civilian consumption. I have here a press cutting taken from the *Statesman* of a few days ago. It is headed: "Reversion to civil production", and reads:

"Washington, March 4: Leading U. S. production officials believe that the War Department's demands for initial war equipment and supplies will have been met within 60 to 90 days. This fact is disclosed in a report of the Truman Committee on U. S. War production made to Congress today."

While emphasizing that production of many items of war equipment must continue at a high level after that period, the report adds:

"It is already evident that there are sufficient basic materials to supply not only war needs but also additional quantities for civilian use, except possibly in the case of copper where recent increases in requirements may reduce the surplus."

Actual reconversion is now starting or about to start. Increasing supplies of materials and a higher rate of cancellation of contracts make it evident that materials will soon have to be made available for further civilian production."

Then, Sir, we are told that America and the United Kingdom are giving attention, and in fact have actually commenced to manufacture goods for supply to countries which have been or will be freed from enemy occupation. If the war burden on this country can be lightened, India I feel should be given the opportunity to produce not only for her own needs, but for the future requirements of such countries as Burma, Malaya and China.

Industry in this country has a big task ahead of it and immediately, therefore, the Honourable the Finance Member has achieved his object of anti-inflation, I hope he will find it possible to restore conditions less onerous to industry as a whole, since, whilst taxation and the many controls are no doubt necessary for deflation in times like the present, it must not be forgotten that these measures are depressing and tend to remove any incentive for increased production. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved:

"That the demand under the head 'Department of Industries and Civil Supplies' be reduced by Rs. 100."

Mr. N. M. Joshi (Nominated Non-Official): Sir, I propose to support this motion. The importance of providing consumer goods to the people of this country was stressed very strongly by the Gregory Committee. The Finance Member also admitted the usefulness of providing consumer goods as an anti-inflationary measure. But I feel that the Government of India and the Provincial Governments are not giving sufficient attention to this subject; they merely talk of providing consumer goods but do nothing to help the industries which provide these goods. Two years ago I brought to the notice of this House the condition of an ancient industry in India situated in U. P. at Ferozabad, which has been neglected by the Government of India and the Provincial Government for more than two years. That industry is the bangle industry of India and it has suffered on account of various difficulties. The first difficulty it has met is the lack of coal. The Government of India do not take sufficient measures to provide coal for it; if there is coal the War Transport Department has not got wagons to carry that coal to Ferozabad. There are also other materials required for the proper conduct of this industry. It wants kerosene oil, for example; but the Government of India do not provide that with the result that for more than two years the people of that town have suffered. There are about sixty thousand workers engaged in that industry; they have been suffering from partial or total unemployment for more than two years, and no provision has been made by Government for unemployment insurance or unemployment benefit for these people.

Not only have the workers suffered, but the manufacturers also have suffered. I generally do not speak in the interests of the manufacturers but I feel

that they too are human beings and the Government of India should do something to help them also in this matter. Not only that; the merchants, too, who are engaged in this industry have suffered for two years, and they are found not only in Ferozabad but all over the country, in all towns and villages. There is no village in India where a small merchant does not make his living by selling bangles. It is not only that these workers, manufacturers and merchants have suffered, but the women of India, at least the Hindu women, have been exploited for more than two years. Generally speaking, every Hindu woman purchases bangles worth 4 or 8 annas or a rupee per year, and they are required in every town and village. But now the result has been that bangles which used to cost 4 or 8 annas or a rupee are selling at 8 or 10 times the former price. This is an exploitation of the whole womanhood of this country, who have to pay eight times the price for an article which they consider to be essential and cannot live without. I can understand the Finance Member taking deflationary measures, but taking up this particular deflationary measure, namely, the exploitation of the whole womanhood of India, is not only unjustified but cruel. The Finance Member takes away from the villages large sums of money by way of high prices paid for the bangles but is he justified in taking such high prices? It is a very unjust and unfair method of securing deflation at the expense of the women of India.

The Honourable Sir Jeremy Raisman (Finance Member): Unfortunately I am afraid I do not take that money. If I could, I would.

Mr. N. M. Joshi: The Honourable Member may not take the money but she is a co-partner with the exploiters.

The Honourable Sir Jeremy Raisman: The exploiters are also evaders.

Mr. N. M. Joshi: The exploiters take the money. They take Rs. 8 for an article worth one rupee, of which Rs. 7 go to the exploiter and at least one rupee comes to the Finance Member in the shape of income-tax and excess profits tax.

The Honourable Sir Jeremy Raisman: If I could catch them I would take all the eight rupees.

Mr. N. M. Joshi: If the women of India are to be exploited I would prefer that money to go to Government rather than to the exploiters, but unfortunately the Finance Member has not got courage, as I said the other day, to take all the eight rupees to himself instead of giving it to private exploiters. I feel that the Government of India for various reasons have been neglecting this aspect of the question, and I suggest that they should now be very vigilant and prompt and take all the steps necessary which they can take to protect these industries which provide consumer goods for the people of India. They propose importing bicycles. I consider bicycles, of course, very useful things, but how many people in India can purchase bicycles? Their number is very small compared to the number who purchase bangles. They should therefore, protect bangle industry. If the Provincial Government is negligent and indifferent the Government of India should take upon themselves the responsibility of waking them up and bringing home to them their duty in this matter to the workers of Ferozabad and other parts of the country, to the manufacturers, the merchants and also to the whole womanhood of this country.

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan Rural): Sir, I congratulate my Honourable friend on moving this cut in a very lucid manner and bold manner in order to protect the industries of India. I feel that this cut motion should more properly have been directed to the department of the Supply Member; in fact all these solid and valid arguments were levelled at the policy adopted by the Supply Department. I feel that this is just the right time to draw the attention of the Supply Department to the condition of our industries. Government must be given credit for encouraging them but it is also necessary that they should maintain them both for promoting the war effort as well as supplying the needs of the civilian population.

We know that at the beginning of the war and for now some years after that it was the policy of the Supply Department to take away for war needs as much as was available; and there was no idea in the minds of those who

[Mr. Hooseinbhoy A. Laljee.]

were carrying on these war activities that there was anything like a civilian population in India who would require any kind of supplies. We have done our part of the business quite well in so far as the war is concerned and that too at a very great sacrifice; in the cause of war activities we have not at all looked at the needs of the civilian population. While here is an instance which has been just placed before the House by my Honourable friend to show how America and England have been careful for civil supplies as well from the very start. Has anything of that sort been done here or even thought? It is a fact we have done a great deal for the war effort and at a great sacrifice to the people. We are proud of that. I ask the Honourable the Supply

12 Noon. Member to consider very seriously the great object which my Honourable friend has placed before the House, namely, that all those industries which have been developed by us and have worked very well and have supplied so much of the war needs, should be maintained and kept up, and that if at all the orders are to be curtailed it is part and parcel of his duty, having encouraged those industries and having often assured the country that these industries have been brought with the laudable object of supplying both the war needs and the requirements of the country, to ask the Government for funds and to see that these industries are maintained, specially those industries which manufacture boots, bangles and other things which are required every day by the poor and middle-class people. So far as great industries are concerned, I do want that sufficient attention should be paid to them, although I admit that people who are concerned with those industries are powerful and they have a big voice. So far as the small and poor industries are concerned, they have really been often neglected and I do feel that the suggestion which has been put forward by my Honourable friend from the European Group is a very sound one and must be followed up. If orders are to be cancelled, care should be taken that all orders are not cancelled. There are many articles which could be kept in stock and for that the necessary planning must be taken in hand as also funds and I hope the Honourable the Finance Member will not mind if even some stocks have to be kept for a little time as against having unemployment and the ruin of industries.

Then, Sir, I disagree with one remark of the Honourable the Mover of this motion. He said that control on the export of hides was put and then it was removed.

Mr. A. C. Inskip: I referred to prohibition on chrome leather.

Mr. Hooseinbhoy A. Laljee: Yes. I remember something that took place during the last Great War. People in Madras kept on this industry and exported leather even at the cost of needs of people in India. At present of course the whole position is different because up to now we have some demand for war requirements. But during last war they neglected the needs of the people of this country and entirely depended on foreign markets. What was the result? If my Honourable friend has been in this line for a long time, he should know that all those people who were dealing in hides and skins and chrome leather were completely ruined within ten years of the termination of the last war. The reason was that all the foreign countries began importing their stuff into India and at the same time the duties which had been levied on imports were also removed. Not a little finger was raised to protect those industries in Madras and in many parts of Bombay and other places. If the idea of my Honourable friend, the Member for Civil Supplies and Industries, is to see that more export than it is necessary does not take place, I would say that he should certainly but cautiously move in the matter rather than allow a lot of free export which might be at present paying to those people who have invested a lot or those who had suffered for a long time after last war. We should be very careful about our exports. Once again I appeal to the Supply Member and Commerce Member to see that exports are not allowed indiscriminately and that they should be restricted to the limit at which the requirements of the civilian population of India will not be affected and handicapped. I would like to make the same appeal to the Member for Industries and Civil Supplies. With these remarks, Sir, I

once again congratulate my Honourable friend, Mr. Inskip, for moving this motion and for the fact that he has so boldly moved it in the interest of industries in India, and at present time when many fear to talk about civil requirement with war requirement.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): Sir, I support the opening sentence of the Mover where he said that the Anti-Hoarding and Anti-Profiteering Bill is over due. I have been pressing this point for the last twelve months. In fact, I gave notice of a Bill in connection with this anti-hoarding and anti-profiteering, but I am very sorry to say that the Government did not allow me to lay it before this Assembly. It is absolutely wrong that neither they take action themselves nor do they allow any other person to take action in the matter. (Interruption.) It required the permission of the Governor General in Council which was not given to me in respect of that Bill. Therefore, I say that I have got greater reasons to support this suggestion because I took action in this particular direction and the Government did not allow me to proceed with it.

Then, Sir, I support my Honourable friend Mr. Inskip's observation that the Government of India's method of action is very peculiar. In all matters of control they never make an inquiry; they do the thing first. As a matter of fact, inquiry should come first and action afterwards. But the method of the Government of India is different. This is what they do: To begin with, Ordinance is issued. After issuing the Ordinance comes action. And third comes thinking. That is what you call putting the cart before the horse. What is the result? Their method is absolutely topsy-turvy. They should follow the reasonable method. First they should make an inquiry about the matter and afterwards they should think over the result of that inquiry, then they should take the necessary action and experiment, and then, if necessary, they should issue an Ordinance. They follow the reverse course.

Then, Sir, there is one complaint which I have got against the Honourable Member who has moved this motion. He did not make sufficient enquiries himself when he gave his advice to Government about leather. I have had an opportunity of interchanging views with him and I told him that in many cases the advices that he has given during the last two years were not correct, and he himself failed in the matter in which he advises the Government of India today. He himself ought to have taken action in this matter in which he is asking other people to move.

As regards the point raised by my Honourable friend, Mr. Joshi, I am sorry that he has never been in Ferozabad himself and he is influenced only by propaganda of some persons. I live close to Ferozabad; I had an opportunity of studying the matter. The present situation has arisen on account of certain individuals at Cawnpore. These very people who are complaining now gave sums of money in corruption and afterwards they ousted all those persons who had been there for centuries and these people who started their business as a war-time measure came forward and the others could not carry on the business themselves. At one time I thought of starting, in connection with the University, this glass industry, but I found that the methods which these people had been following at Ferozabad were such that I could not undertake it. So I say that Mr. Joshi had failed to understand the real situation there and he has been led away by the pamphlets issued by persons personally interested in these matters. They are interested in their own profit. These things require careful consideration before we accept the conclusion arrived at by a few Members of the Assembly, whom they approached. They wanted me to make a similar speech and I refrained from doing so as I knew the condition of affairs.

The next thing is that this is pressed as an anti-inflationary measure. This inflation is due to the action of the Government. You first start inflation and then afterwards you say how to solve it. Why do you create the problem yourself? Now you take measures how to stop this particular thing. In the first place you have raised the prices of all the articles and put in large sums of profits into the hands of these persons who are producing them, either as cultivators or suppliers of goods to the Supply Department or the Military Department. You put large

[Dr. Sir Zia Uddin Ahmad.]

sums of money in their hands and then afterwards think out of the measure how to take out the currency notes from the possession of these persons who have got thousands only on account of your wrong action. Therefore, this inflationary measure is really due to the wrong action taken by the Government. Why not solve the problem direct? Why not take the steps to see that large amounts of these notes may not be hoarded and may not be in the possession of those people who have no business to get them? Of all the measures that the Government have thought of against this inflation, one is very peculiar. They want to take forcible possession of these notes from the cultivators and from the persons who have got them. This forcible possession under some name or the other is very undesirable. Therefore, you are creating a large number of problems in order to avoid a thing which you yourself have created and I have pressed, and I press now, and I will go on pressing till the Finance Member really sees things in their true perspective and not in philosophical theory that the real problem of India's finance which he must solve is that the purchasing power of the rupee should be fixed. As soon as that is done, the question of inflation will not arise and therefore all the measures you are thinking to remove inflation will not be necessary. Therefore I feel that the Honourable the Finance Member ought to be careful of financial theories, otherwise there will be a breakdown in the finances of this country. He could take active action to stabilise the purchasing power of the rupee. The moment that is done, inflation will disappear and the moment inflation disappears all the measures we have been talking of as anti-inflationary measures will not arise. Therefore, we ought to take direct action.

The words 'direct action' are very dangerous words to be used in politics but I think in this particular case I should advise the Finance Member that he should take direct action so that inflation may not occur.

With these words, I support the motion.

Mr. Sami Vencatachalam Chetty (Madras: Indian Commerce): I regret I cannot share the glee of my Honourable friends, Mr. Joshi and Dr. Zia Uddin Ahmad, that a member of the European group has brought forward this cut motion as an anti-inflationary measure. From the language of the cut motion and from the quarter it has emanated I have reason to doubt the sincerity of this cut motion. (Exclamations of "Oh! Oh!" from the opposite side of the House.) I have no doubt, as the Honourable Member, Mr. Bhik Nairang, suggests, that it might be ultimately withdrawn if it should be considered to be really an important proposition that should be given effect to by the Government in favour of the country.

Sir, this motion for supply of more consumer goods is made as an anti-inflationary measure. Mr. Inskip, an Honourable Member of the European group, is perhaps the latest recruit to the corps of those who have been suggesting ways and means by which inflation could possibly be checked. For the last 2½ years and more we have been suffering from this inflation and cries from all quarters went forth to control it by procuring for the country industrial machinery or substantial goods such as Bullion to make it possible for the poor people, whose purchasing capacity has not been improved in any manner, to avail themselves at least of those very essential and necessary foodstuffs. Then I do not think the European Group raised any protest against inflation. They were chuckling over this increase of inflation. They did not suggest then to the Government that they must take measures . . .

An Honourable Member: How do you know?

Mr. Sami Vencatachalam Chetty: . . . and make the consumer goods available to the general public.

Sir F. E. James (Madras European): My Honourable friend was not here when that suggestion was made to the Government.

Mr. Sami Vencatachalam Chetty: When, may I know?

Sir F. E. James: When my friend was absenting himself from doing his duties to this House.

Mr. Sami Vencatachalam Chetty: I was sufficiently aware to read the speeches of my Honourable friends, the Members of the European Group. I do not think—I have even looked into the proceedings—that any protest came against inflation, nor was any suggestion made for the supply of consumer goods before this occasion from that Group.

But apart from that, as I was saying, the Honourable Mr. Inskip is one of the latest recruits to this propaganda of anti-inflationary measures and I suppose the one preceding this was the payment of Rs. 2,500 for a kiss. The Provincial Governments are taking the so called anti-inflationary measures, for example, by raising the sales taxes from ½ per cent. to 1 per cent., which tax would be levied on the very essential foodstuffs which are now beyond the reach of the poor people on account of the high prices. Again, Sir, the latest feat of the Government of Madras is that they would bring in even small petty dealers who were hitherto exempt from levy of sales tax over their transactions and also would include bullion and specie for the levy of sales tax. The framers of the Act, who I must say were the Congress Ministry, excluded bullion and specie from the operation of the sales tax.

The exclusion is now sought to be rectified, while the Honourable the Finance Member would sell some gold at a profit of 75 per cent. on behalf of the U. S. A. Government as an anti-inflationary measure, the Madras Government would levy a sales-tax of 1 per cent. in order to check the sale of gold. Even that is justified by the Government of Madras as a measure to check inflation. So, this is the kind of anxiety to check inflation. I am sure my Honourable friend's suggestion that consumers goods might be supplied as an anti-inflationary measure, is one of the varieties of the Madras Government proposals. Sir, some of us who have the time and the propensity to read what is going on in America and in Britain in regard to reconstruction plans and even in regard to the current construction plans, have learnt that there are four schools of thought in Great Britain. One is to see that no more industry is encouraged in India, that industrialisation must, as far as possible, be confined to Britain and of course, compulsorily in the United States of America, over which they have got no authority. Secondly, that if that is not possible to send external capital either the American dollar or Britain's sterling together with English talents to India in order to establish large scale industries. The third is that while large scale industries of key goods should be retained in Britain its distribution might be carried on by the Joint Stock Companies of Englishmen in India and smaller industries for demobilized technicians to be encouraged and in the meantime during the course of the war more and more consumer goods must be imported into India in order that there should be no scope or desire in India to establish or to encourage Indian industries. I am rather surprised that such a shrewd Member as Mr. Joshi should have missed the point.

Mr. N. M. Joshi: The point is to encourage Indian industries.

Mr. Sami Vencatachalam Chetty: It is not said there. You must have looked into that. Let the Honourable Member who has moved this motion amend it by saying consumer goods of Indian manufacture will be supplied to India. That is not his intention and he is not going to do. He has explained during the course of his speech how in spite of all war efforts and war activities Great Britain and the United States of America are in a position to spare some consumers goods and that also for such goods the Government should place orders. Only such goods would be brought over to India. Does that mean encouragement of Indian industry? It is a direct challenge against any move of any post-war reconstruction committee to put forward any plan for encouragement of Indian industries? Now, Sir, let us examine what are the consumers goods of foreign origin which India cannot manufacture herself and without which India cannot get on or Indian citizens cannot get on.

Mr. N. M. Joshi: What about Indian industries—bangle industry?

Mr. Sami Vencatachalam Chetty: I am afraid it is a feminine argument to talk of bangle industry.

[Mr. Sami Vencatachalam Chetty.]

Now, Sir, if instead of consumers goods you require the Government to import such of those manufacturing ingredients as are required for the improvement of existing indigenous industries, I can well understand that. For instance, for textile manufacture, colours, chemicals and so many other articles can be imported. Let the Government be persuaded to bring in some such goods in order that the existing indigenous industries may be improved. There is no mention of that. You want cigarettes and you want some luxuries, i.e., fountain-pens, whisky, and such other articles which can easily be dispensed with and without which you can safely get on. Let me beg the Honourable Member to mention to me a dozen articles which must be imported either from the United States of America or from Great Britain, without which India cannot get on. I dare say he will not be able to do so. If he goes on preaching that there is hoarding and there is profiteering the Government were the first culprit in that respect. So far as hoarding of gold is concerned the United States of America was most guilty. Apart from that, so far as goods are concerned the evil started by the Government of India, in its colossal ignorance of the nature of articles, issuing freezing orders. They issued orders for articles which they did not require. If they require screws of two inches length, they did not know for what purpose those screws were required, issued orders that all screws of all sizes ought not to be sold. These goods ought to lie frozen up until a Government official arrived and he would not turn up until at least six months. The moment a notification is issued naturally such of those retail dealers whose names are not on the list of dealers with the Government would try to get hold of the quantities of such materials and hoard them. They will sell it at a price at which the market would take. So, the evil was first started by the Government through their ignorance in issuing freezing orders. There is an order for freezing motor tyres. Dealers in that commodity are crying that either their stocks should be taken away by the Government or they should be allowed to sell them. You cannot replace your worn out motor tyres. There are petrol rationing officers who would not move and who are as bulky as the bloated Michelin tyre itself, who would not issue permits. You do not require that size of tyres for your military lorries. You do not require them for war purposes or for war transport purposes. Still you would require that these tyres should not be sold in open market. It does not serve any useful purpose except that both the goods got stuck up and they went into the black market. Any officer who uses motor-car would tell me how much difficulty he has to face in getting a motor tyre. Now, that is the way in which the things are moving.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has got one minute more.

Mr. Sami Vencatachalam Chetty: With regard to the charge of profiteering may I know if the European firms and traders are free from this guilt or as a matter of fact any trading firm. Government encouraged profiteering as a seductive to the people to be war-minded. Government themselves felt it a great pleasure that these people are making money, because the Finance Member could ask his Income-tax officers to go and check the accounts of those firms and get the taxes. All this circle of evils went on and it is only this year that the Finance Member seems to have risen up to the evils of inflation and that after all that could possibly have disappeared either into the earth or into the native States or somewhere else.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member's time is up.

Sir Vithal N. Chandavarkar (Bombay Millowners' Association: Indian Commerce): I am sorry that the Honourable Member who spoke last cast unnecessary aspersions on the sincerity of the European Group in bringing up this cut motion.

An Honourable Member: Why do you champion him?

Sir Vithal N. Chandavarkar: I am not championing anybody. The speaker who moved the cut made it clear in his speech that he asked for a drive in

the production of consumer goods in this country, and I think it is desirable that we should take people and accept their word instead of casting any doubts on their sincerity because it does not help the consideration of a question which is very important from everybody's point of view in this country.

We are all selfish and I dare say the European interests also are selfish and they may like that some more consumer goods should be imported from England. But why bring that in when the Mover of the cut has made it absolutely clear that he was anxious that Government should do their best to encourage the production of consumer goods in this country?

An Honourable Member: With whose capital?

Sir Vithal N. Chandavarkar: My capital, your capital, the capital of this country. If Honourable Members will have patience, I will make my point clear. It is no use having a *post mortem* examination as to why several controls have failed. I have been an advocate of control, and the constituency which I represent had been advocating control from a very long time, but the Government policy had been so vacillating that at one time those of us who had advocated control felt that it was dangerous to advocate control because Government did not know their own mind. As far back as August 1940 when the then Viceroy visited Bombay, I, as the Chairman of this Association, suggested that if the war was going to last long, it was better that the Government thought of measures for controlling production, prices, and, also if necessary, the varieties of cloth which it was necessary in the interests of the man in the street that we should manufacture and not luxury goods. Unfortunately, at that time there was a slump and the Government of the day wanted to continue the indent system for the purchase of cloth for military requirements and it took nearly a year when Sir Homi Mody took charge, that we had a conference in Bombay which was attended by Sir Homi Mody and Sir A. Ramaswami Mudaliar. They accepted the principle of voluntary control and asked us to place at the disposal of the Government a certain percentage of our looms first for the requirements of war, and, as Sir Ramaswami Mudaliar told us, if necessary, for the manufacture of standard cloth for civil consumption. There was again a slump in 1942 and the question of manufacturing cloth for civil supplies went into the background because prices fell. Every Tom, Dick and Harry, whether he was a barber, or bus conductor or tram driver, began buying things right and left because they expected that the prices would rise and they would make money. There were only a few people who thought that that was a short lived phase, and that there would be a shortage of cloth. But Government made no move in getting this cloth off the market so that when the time came they could dole off this cloth at controlled rates and satisfy the civil demand. The trouble with control started when the Government passed the de-controlling order in respect of wheat. There was also the adoption of a free trade policy in certain parts of Northern India. While the Government of Bombay was trying to tighten their food control, we heard that the policy in certain parts of India had been changed and we began to feel whether Government had any consistent policy as regards control. That was why things went wrong. Later, Government came out with ordinance after ordinance bringing all sorts of articles under control, and published their intention to bring real articles under control. The moment their intention was announced goods disappeared from the market, from the shops, into private houses and motor garages, and the result was that when the Ordinances came there were already black markets flourishing in the country. Several controls went wrong and for this there is no doubt that the political situation is also responsible because bulk of the people are not willing to co-operate with Government. This vicious circle has gone on and some have been called exploiters. May I be permitted to express my thanks to Mr. Joshi for recognising that we manufacturers also have a right to exist? It is the first time that we have got this little consolation, this little acknowledgment from my Honourable friend, Mr. Joshi, who had hardly said a good word about manufacturers so far.

[Sir Vithal N. Chandavarkar.]

With all respect to the present Finance Member whom a large number of people have praised, I have got one little grievance against him. At all important conferences held I have hardly found the Finance Member present. Since the time I have been the Chairman of the Bombay Millowners' Association, we have had no personal contact with the Finance Member in Bombay. When Sir Ramaswami Mudaliar and Sir Homi Mody held conferences for controlling textiles, they had always to say, "subject, of course, to what the Finance Department may have to say". No doubt there were some officers present, young, able officers of the Finance Department, but they were not in a position to deliver the goods on behalf of the Finance Department. Whatever agreement we came to with other Members of the Government of India the Finance Department was always free to take such action or such decision as it might deem fit. There was therefore no finality about the discussions at these conferences.

The Honourable Sir Jeremy Ralsman: I hope the Honourable Member realises that the Finance Member suffers from the serious disadvantage of being unable to be present at more than one place at a time or work more than 24 hours a day.

Sir Vithal N. Chandavarkar: I quite appreciate that, but I hope he will also realise that when his colleagues are carrying on important negotiations with an important industry it should be possible to take final decisions on the spot so that we may know where we are. That has not been possible except at the Textile Control Conference which was held in Bombay in June, 1943. That perhaps was the result of a telephonic communication when the Industries Secretary was authorised to come to an agreement with us.

Talking of consumer goods, my Honourable friend mentioned fountain pens and watches. But may I ask why import whisky at all? There is absolutely no need for the importation of whisky or the manufacture of whisky. Why was it announced that a certain amount of freight space would be allowed for importing whisky and that prices would be controlled at Rs. 19 or Rs. 20? I can understand whisky being imported for the fighting forces, but certainly the civil population in this country ought to go without whisky. I do not know if Sir Cowasjee Jehangir will agree with me, but the country can get along surely without whisky. I am rather serious about this, because many people have talked to me about it. When people are starving for cloth and other necessary things, why use freight space for the importation of such articles as whisky, and why announce it in advance that whisky was coming on, "Don't get disheartened. We are arranging for freight space for whisky." I appeal to the Treasury Benches that it is not a small matter, and that Government ought to know that in the administration of the country, in addition to, honesty and efficiency, an understanding of the psychology of the people with whom they are dealing is absolutely necessary. The Government of the day ought to look at this question from that point of view. If people have a feeling that all this anti-inflationary drive is in the interests of the U. K. and U. S. A., that is due to certain indications and telegrams from New York and London which have appeared in the papers and which have given the impression that what is going to happen is that we are going to be left in the cold storage and there will be a competition between the U. K. and the U. S. A. as to which country is going to supply goods, capital as well as consumer, to this country under the plea of consuming sterling and the dollar balances. There is ample ground for suspicion and that is all the greater reason why the Finance Department, the Industries Department and the Commerce Department should sit together and organise a very forcible drive for the manufacture of consumer goods in this country. I agree that the Central Government may not be able to achieve much but the Provincial Governments must be asked to get in touch with industrialists and tell them what consumer goods can and ought to be manufactured. Then capital will be forthcoming and the goods will be manufactured. There is sufficient industrial talent in this country and as recent events have shown sufficient scientific talent is also available in this country for the manufacture of goods which have not been manufactured up till now. That is the appeal I make to Government. This matter ought to be taken up seriously in the interests of the man in the street

and from that point of view I am thankful to Mr. Inskip for having given us an opportunity of placing our views before Government.

Mr. T. T. Krishnamachari (Tanjore *cum* Trichinopoly: Non-Muhammadian Rural): At the outset I would like to congratulate my Honourable friend from Cawnpore, Mr. Inskip, on his unexceptionable speech. In fact, when I came to this House, I fully expected that this cut motion sponsored by the European Group will be a plea for more Brummagem from Birmingham, but having heard Mr. Inskip, I felt that it would be wrong not to take this opportunity to press home to the Government exactly where their faults lay in the matter of encouraging the manufacture of more consumer goods for the needs of the people of this country. My friend, Sir F. E. James, would, as usual, like me to explain the difference in the view point put forward by the Honourable Member representing Indian Commerce from Madras—it is true that the Honourable Member representing Indian commerce from Madras and I see eye to eye politically and in many other matters but on this occasion I feel that what little help can be got from any source in order to relieve the great pressure on the economic life of this country ought to be welcomed and conscripted, if possible. So far as my own province is concerned, it does happen that the primary producer does not get enough for his produce. The prices of primary products have not risen anything like what obtains in other parts of India and therefore, Sir, the producer who has all along been selling most of his output for obtaining ordinary necessities of life now finds no incentive to do so, because the quantum of consumable goods that are available to him in the market happen to be few, and the cost of what is at all available is prohibited and beyond his means. This is a basic economic factor and Mr. Inskip has rightly stressed that it is time the Government of India thought of ways and means of switching over to peace economy or at any rate pave the way for switching over to peace economy. There is no time more appropriate than now to consider this question. There are no doubt more important questions depending on the future of the economic position of this country and if I enter into a discussion of those questions at this stage, I am sure I will find myself at variance with that Group which has sponsored this motion. The forum for that is not on this occasion but later on, but if the problem is narrowed down to the scope which the Honourable Mover has outlined for it, I think a considerable amount of agreement can be found in this House for the proposals made by the Honourable the Mover. What has the Government been doing all along? On the one hand they have been trying their best, I suppose to the best of their ability, to increase the production of war needs. Lately, they have tried to control prices of civilian necessities by various Ordinances and as the Honourable the Mover very rightly pointed out, these control Ordinances only made the position of the availability of consumer goods for the average man in the street more difficult than it ever was. If I had an opportunity to dilate at length on the wrong angle from which the Government have approached this problem of control, I would be able to say a great deal. What the Government could have done much better was to control the few articles which are needed by the masses and which are very necessary for the man in the street from the time they were imported into this country or from the time they were produced until the time they went to the market rather than to impose a blanket control on all kinds of goods, which in the very nature of the staff and personnel available to the Government and the wide range of powers to be exercised, the control measures could never be brought into operation. Today, however, the position happens to be that the black market operator does escape and, if anything, Government is brought into contempt rather than their prestige is enhanced by these ordinances.

But to come back to the issue, the narrow issue, which I think was in the mind of the Mover of the motion, it is time that the Government got trading and commercial interests in this country together and drew up a list of items which are most necessary for the average man in the street, drew up a list of priorities and saw what could be obtained either here or from elsewhere and made available to the man in the street at proper prices. I have no desire to tread on the corns of my Honourable friend representing the Mill Owners'

[Mr. T. T. Krishnamachari.]

Association of Bombay but I do maintain, Sir, that the millowners have contributed vitally to this misery of the consumer in this country and whether they are individually and solely responsible for that position or that the responsibility is equally shared by the Government is not my concern. I am not here to apportion blame but I do feel that it is time we enlisted the support of my Honourable friend representing the Mill Owners' Association to persuade the textile interests to reduce prices further and further, so that it will come down to reasonable proportions, perhaps just a hundred per cent. more than the pre-war level. That, I think, will probably satisfy the man in the street a lot more rather than telling him that they are not the criminals and that the criminals are the Government of India and a whole lot of retailers. We here cannot punish this Government for its delinquencies. No amount of censure motions and defeats would bring that fact home to them but we can ask our own countrymen, as I have asked sometime back in another forum, that they should realise their responsibility to the people of this country in the matter of bringing down the price of one of the most vital articles of consumer goods in this country, namely, cloth.

I should like to say one word about the bangle industry which seems to have caused lot of hilarity in this House, when my friend Mr. Joshi mentioned it. I am not concerned with the particular interests of the particular people in a particular place. Whether they come and seek the assistance of Members of this House to urge their claims on Government is a matter which is not within my knowledge but I do say here that so far as the bangle industry is concerned it is as important an industry as the fishing industry is for the maintenance of a proper navy. You cannot get efficient trained blowers that are needed by the glass industry but for the fact that there is a bangle industry flourishing in this country. And my Honourable friend on my left will bear me out because he has ample experience of glass industry in his part of the country and he knows that the Ferozabad blowers are in great demand in the glass workshops. The bangle industry is quite an important one in itself and it ought to be encouraged. In fact, every cottage industry should be encouraged, so that the common people would be able to buy something which is not merely very necessary but something which satisfied their aesthetic sense. After all, man does not live by bread alone or by the cloth that he puts on. Surely, I do not mean to exclude whisky within the range of things that are needed for catering to a man's aesthetic sensibilities unless it be that it magnifies his understanding and mellows his outlook.

Sir F. E. James: What the bangle is to a woman, whisky is to a man.

Mr. T. T. Krishnamachari: I am not in the same happy position as my friend Sir Frederick James. I am a teetotaler and I am unable to sympathise with him. My Honourable friend was talking about leather industries and somebody else talks about bangle industries. There are scores of things that are necessary. A list has to be drawn up. Will the Honourable Member in charge of Industries and Civil Supplies, instead of manufacturing Ordinances, just get the people who are engaged in industry to come to his aid in this matter? Leave alone the Reconstruction Committee concerned with regard to post-war trade industry and will he get hold of those people who are interested in trade and distribution and those people who are manufacturing the goods that are ordinarily needed for the man in the street? Will he urge upon them to produce more and will my Honourable friend the Finance Member obliterate from his mind the Press Communique in connection with the capital issued by him some time back and not be troubled by the bottlenecks of transport difficulties which prevent him from encouraging the growth of such industries as will volunteer to come out and be started? Will he also help them instead of issuing orders that these shall be manufactured and those shall not be manufactured after such and such date? I shall have more to say about it later on and, therefore, I will not go into details now. But I think Mr. Inskip has, in a very limited way perhaps, but very usefully, focussed the attention of the public on the need for switching over from war to peace economy and for the immediate manufacture

and conservation of such consumer goods and to ensure their proper distribution. I think to that extent the House has to be grateful to him. The result depends on what the Government will do about it. Whether they are going to be merely content with control Ordinances or whether they are going also to do something by way of assisting production remains to be seen.

Mr. E. L. C. Gwilt (Bombay European): Sir, I will make but one reference to the speech of my Honourable friend from the Congress Benches. It was a typical and remarkable piece of "reconstruction" prompted no doubt by the Honourable Member's envy of the high reputation of the European manufacturer in this country. I would like to enlarge upon a point I made when I spoke in the House a few days ago and suggested that in substitution of the Anti-Profiteering and Anti-Hoarding Ordinance, another should be drafted, based upon the Prices of Goods Act in force in the United Kingdom. I said then that whilst I fully appreciate the difficulties that confronted Government at the time the Ordinance was drafted, and moreover, that it was an Enabling Order, nevertheless, I feel it to be a bad piece of legislation because it is being broken by so many people today. Indeed, I wonder how many people are faithfully observing its conditions. I realise also that Government have made clear the fact that it was never their intention to encroach upon profits, always provided that the profit now being made on the sale of goods closely approximates that made on the sale of the same goods before the war. Even this seems to me to be too vague to prevent evasion and puts the onus upon Government rather than upon the seller.

I raise this again for the reason that when the Commerce Member replied to the debate in which I participated, and he spoke after me, he made no mention of, what I submit, was a point worthy of consideration. As he was not in the House when I spoke, and as he made his speech very shortly after me, I well understand that he did not have an opportunity of dealing with this point. He will, therefore, I hope, forgive me for repeating it.

The Prices of Goods Act was, I believe, placed on the Statute Book of Great Britain in October or November of 1939, so that piece of legislation must have been on the anvil shortly after the outbreak of war and has undoubtedly played an important part in the effective enforcement of controls in operation in England at the moment. I hope, Sir, that my Honourable friend, Mr. Griffiths, who has recently returned from England, will have an opportunity some time of telling us how controls in England are enforced.

Now, Sir, the Price of Goods Act provides for a basic price and a permitted price. That basic price, as I said before, if my memory serves me correctly, is the price at which goods were sold on the 25th of August, 1939; the permitted price is that by which the basic price is permitted to be increased under the Act, the permitted increase being identical with the increased cost of producing those goods. In other words, the precise increase in cost of production. Thus, the margin of profit permitted under the Prices of Goods Act is the same absolute profit as that made by a manufacturer or producer on the 25th of August, 1939, the same profit in pounds, shillings and pence or in rupees, annas and pies, and not the percentage of profit.

I would like to repeat that although the Anti-Hoarding and Anti-Profiteering Ordinance is an Enabling Ordinance, in so far as it applies to anti-profiteering, it is, I submit, a bad piece of legislation, because it is being broken by so many people, and the onus is thrown on the Government rather than upon the producer to sell his goods at no profit other than the absolute profit he enjoyed on the sale of his goods at the outbreak of the war. I also drew attention to the fact that in my view the reason why many of the controls in the country are not operating as effectively as they might is because the officers of the Provincial Governments, whose duty it is to enforce controls, are not as conversant with the spirit of the control as are those at the Centre who frame them.

The Drug Control Order, with which I have had some dealing, may well be more concise in some of its wording, the import of which, I know, is thoroughly understood by those who framed it. The provision to which I specifically refer

[Mr. E. L. C. Gwilt.]

is the one which lays down that a manufacturer, importer, wholesaler or retailer, must not withhold supplies, without reasonable cause, from a licensee. Licences are granted to certain persons to purchase drugs provided they have been in the drug business for a specified length of time. And that is an important provision because of the vast army of people who have come into the drug business since the war, many of whom have no establishments of any kind and do their business in any premises they can find and get about from one place to another on bicycles.

In view of the general shortage of drugs there is in the country, and the same applies all over the world, those who are the primary suppliers of drugs in this country, whether manufactured or imported, have had during war years to ration their sales within the volume of their stocks; such a necessity is an obvious one. It is admitted by those who framed the order that a reasonable

1 P. M. cause for not selling stocks to a wholesaler or retailer who may demand them is that he was not a regular purchaser from the primary distributor, at a given date in the past. There is no doubt, however, that a very large number of wholesalers and retailers in this country, who have managed to get licenses under the order, are under the impression that because they have a licence, they are entitled to purchase any amount of stock they require from whom and when they like and a good deal of disappointment results when they discover that a licence does not necessarily mean that a dealer can buy all he wants.

I give this illustration of one of the problems that has arisen under the Drug Control order, and which I feel need not, and would not have arisen, had the Centre had an opportunity of bringing together all the officers of the Provinces who administer the order, and explaining it fully to them. I have no doubt that this state of affairs applies not only to the Drug Control order but to others, but I quote it because it is the one with which I am familiar, and I suggest in the interests of every one concerned, firstly, no item of consumer goods be controlled, unless there is adequate provincial staff of the requisite intelligence available effectively to exercise the control, and secondly, that the Centre should not pass on to the Provinces details of the Control order, merely by rules and directives. I suggest they should bring the officers of the Provinces who will administer the Control together for one or two days to Delhi, or wherever the Centre of the Control is, and explain to them fully not only the letter of the control, but the spirit of it.

I am not prepared to contribute to any sweeping criticism, that controls generally have been inefficient or useless. There is no doubt but that the Anti-Hoarding and Anti-Profiteering Ordinance, despite its shortcomings, has done a very great deal to bring down the cost of consumer goods. I hope, Sir, the Honourable Member for Commerce will be good enough to deal with these points which I have raised.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I welcome this cut motion by the European Group and I say that the speech which was made in support of this motion was unexceptionable and there was not one attempt in that speech to discriminate between India and England. The question has two or three sides; one is, how far consumer goods are available in this country and how far they can be increased so as to become adequate; and lastly how far any imports may be necessary to make good the shortage. My own personal view, Sir, is that in a large majority of cases no imports will be necessary; consumer goods must be essential goods and not luxury goods. Consumer goods need not mean that goods should be imported; and therefore I agree with those who have protested against the importation of liquor into this country in the name of consumer goods. When Bengalis were dying of starvation, to import whisky and champagne or whatever it is (Interruption) I do not know, let my Honourable friend tell me, to import luxury goods when the country is dying of starvation is indecent. I hope the Government will take some lesson from the criticism which the public have rightly leveled against this kind of action. I also wish that people will not consider that razor blades are a luxury at all. They are 7 A.M. necessities and but for

those barbers who held a conference recently protesting against the importation of razor blades, everybody else will think that in mornings the blades save time and ensure cleanliness. I am not against the interests of any section of the country so long as luxury goods are not imported. If I consider anything a necessity I want to give priority to it over everything else, but I certainly do not want to give priority to whisky.

Then, Sir, I must congratulate my Honourable friend, Mr. Joshi, on his championing the cause of the bangle industry. I am sure the women of Bombay will raise a memorial to him and the women of India will join in it, thanking him for his championship of their immemorial rights to wear bangles. But my point about this bangle industry is different. I entirely dissent from my Honourable friend, Dr. Sir Zia Uddin Ahmad's statement about the Ferozabad bangle industry. I have personally seen it. I have personally seen thousands of workers going out of employment. I am now fighting for the bangle industry to the extent that they are essential and they are also accompanied by the question of the employment of 60 thousand workers, of whom about 20,000 have already gone out of employment. I have personally seen that, owing to the shortage of the supplies of coal, kerosene oil and soda, which I am told are all essential for the manufacture of bangles, the people engaged in this industry were not earning much but they were simply able to get on. The whole city of Ferozabad might well be called Banglenagar on the lines of Tatanagar or Dalmianagar. The entire population depends on this industry, the Government neglect these workers. The workers think that Government are against them because instead of getting recruited to the army they are sticking to the work of making bangles. That is their fear. There are a lot of women workers also in Ferozabad and a large bulk of the population there is Muslim, for whom I am sure my Honourable friend Dr. Sir Zia Uddin Ahmad would extend his support. I expect the support of my Honourable friend, Dr. Sir Zia Uddin Ahmad, for getting coal, kerosene and soda for the manufacture of bangles there.

The second point which I wish to emphasise is that in the importation of consumer goods priority must be given to essential needs—food, clothing and drugs. I want that Government should primarily concentrate their attention on the growth of more food, on the production of more cloth and selling them both cheap, and also medical drugs. Many other things are necessary. These are primary necessities of life. (Interruption.) I know there are many other things, and their number is legion, but until we have made good the primary needs of the community, I am not even asking them to embark on the supply of any other. There is a good deal of suspicion in the public mind, to some extent fear may be well founded, and that suspicion is that the drive for imports of luxury articles has two advantages. One is that it meets the needs of our European colleagues in this House and outside and also it will to a fair extent liquidate the excessive accumulation of sterling. I do not know how far that is the object behind. But whatever the object, if first of all the needs of the people are satisfied by the growth of more food and manufacture of articles of necessity in this country and thereafter imports of necessities are first provided, then I do not mind if even luxury articles for Europeans are made available. But the fundamental principle is not that any import should be called consumption goods. No consumption goods have any value except the primary needs of the masses of the people who are today starved of all the necessities of life. I have got figures with me, which I shall show later on in a subsequent debate, that if the control had been properly exercised the cloth famine would not have occurred. Some time in July last year there was a total stock of ten thousand million yards of cloth in this country. I am willing to give my Honourable friend, the Commerce Member, the figures and I am asking him to go into this.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Sir, my Honourable friend does not know that the total production of textiles in this country is four thousand million yards.

Mr. Jamnadas M. Mehta: My Honourable friend does not know that it is six thousand million yards including handloom products.

The Honourable Sir M. Azizul Huque: That is different.

Mr. Jamnadas M. Mehta: And four thousand million yards more were due to accumulations and hoarding, making ten thousand million yards in all. My Honourable friend, the Commerce Member, should know better.

The Honourable Sir M. Azizul Huque: I do know better.

Mr. Jamnadas M. Mehta: If he knew he would not talk like that. I will give my Honourable friend the figures. There were ten thousand million yards of cloth in this country when there was a cloth famine last year. I know his difficulties but I cannot sympathise with this kind of ignorance in a matter so vital to the people of this country.

Sardar Mangal Singh (East Punjab: Sikh): You take his place.

Mr. Jamnadas M. Mehta: My Honourable friend, Sir Ratanji Dalal, is going to recommend me; in fact he has been promising to recommend me for it if I voted with him in Government lobbies. The only difficulty is the portfolio. But that is by the way; I am now really on a more serious question, and that is that consumption goods must not be any goods which can be consumed but goods which the common people need badly and without which they would be reduced to a good deal of distress. Drugs are required but prices have gone up tremendously; quinine, for instance, has gone up 1100 per cent. higher. If you can have a drive for importation of essential medical products I will call them consumption goods. If that is done the object of this motion will be satisfied and from that point of view I entirely support this motion.

THE INDIAN INCOME-TAX (AMENDMENT) BILL.

PRESENTATION OF THE REPORT OF THE SELECT COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I present the Report of the Select Committee on the Bill further to amend the Indian Income-tax Act, 1922.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Chairman (Syed Ghulam Blik Nairang) in the Chair.

THE GENERAL BUDGET—LIST OF DEMANDS—contd.

DEMAND NO. 16—DEPARTMENT OF INDUSTRIES AND CIVIL SUPPLIES.—contd.

Supply of Consumer Goods as a Means of Anti-Inflation—contd.

The Honourable Sir M. Azizul Huque: Sir, I have just only about half an hour's time to traverse the various points which have been raised in this debate. May I, at the very outset say that this Department is not even a year old, and the Anti-Profiteering and Anti-Hoarding Ordinance is not even six months old. For myself I do not want to take credit for what has been done and achieved in the Department, within this short time. But I would certainly like to abide by the decision of any judges after presenting all the facts of the case which I am doubtful whether I will be able to do in this House within the limited time at my disposal.

Sir, we had first to take up the question of textile control. At the time when we took our decision, the circumstances in the country were such—and here I am not entering into the question of allocation of responsibility. I am only explaining the actual fact—that at least nine to ten months of the entire textile production were in the custody of certain categories of people in this country. There was acute cloth famine which brought grave distress to the people of this country. Sir, it was not the fault of the Government of India that these gentlemen hoarded the cloth. But the Government of India had to deal with the problem of profiteering. What we have been able to do within the period of nine months is to distribute a vast amount of standard cloth after getting them produced in the different textile mills of India—a quantity more than it has ever been done in this country—and to bring about one uniform price for retail sale throughout India, no matter where it may be sold, only allowing

a very small margin of profit to the chain of distributaries. In the case of a commodity like textile, I consider that to be an achievement which ought to be considered by this House. There are no doubt some difficulties of maladjustment. We cannot deal too quickly with problems which arise out of iniquities of human society, out of the evil propensities in human society. We have to deal with established facts and the fact stands that in between the wholesale dealer and the consumer there are a number of distributaries. I know there is a land system in this country in which as between the tenant and the landlord there are 20 intermediaries. We have to deal with such a problem like this. It is not the case of a direct tenant under a landlord. We are trying our level best and we consider that the amount of profit we have allowed is quite fair. But if the complaint is that as between the consumer and the producer there are 20 distributaries, all of them in the field, then 20 per cent. profit is not sufficient for them. I think some of these intermediaries should go out of trade. You cannot probably deal with a proposition where as between the mill producer and the village consumer there are about 20 distributaries.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Why do you allow them?

The Honourable Sir M. Azizul Huque: That is what we are trying to eliminate. I hope that the economic effect of the measures we have taken will make the intermediaries go away.

Sir, we have our administrative problems. I am not sure whether the Honourable Members of this House have seen the huge list of schedule of cloth prices which we have had not only to prepare but to get it printed and distributed all over India, to every Province. It runs over thousand pages and it is not yet complete. That is the administrative problem. I believe my Honourable friends will certainly allow a little bit of human limitations in dealing with a problem like that. We have difficulties of accommodation. I know it is impossible to find accommodation here at Delhi. We went to one of the biggest metropolitan cities, we could not get any accommodation even there. We had to requisition some accommodation and immediately came a fearful protest from some trade organization and some others. Then, there is the question of staff. My Honourable friend, Mr. Gwilt, referred to the Board of Trade. He referred to what Mr. Griffiths may have to say as his new experience. I would ask him to let me know staff which the Board of Trade had at the time of the war and compare it to the staff which we have today. You cannot possibly deal with the circumstances which are fundamentally different in our country.

Sir Muhammad Yamin Khan: Why did not the Government have the staff since the beginning of the war?

The Honourable Sir M. Azizul Huque: Why did you not take steps in your power? Why did you not say so? I can go on multiplying the "whys". That leads us nowhere. I am dealing with the existing facts. Sometimes it happens that we select a staff, but we cannot get them. I am not saying anything against the Finance Department. Business houses from whom we expected a certain number of men are not able to spare their services. We wanted an industrial planning officer for the Industries Department, a most important work for the future of India. We considered an eminent businessman suitable, and we offered him the post, but we could not get him, and later on we had to get one from official circles within India.

Sir, my Honourable friend referred to various provisions of the Anti-Hoarding and Anti-Profiteering Ordinance and my attention has been particularly drawn to the Act in England. Sir, may I at the outset say that this Act in England fixes a certain basic price. My friend has adequately armed it by saying that whatever you may do you must have adequate staff of the requisite intelligence. Sir, any philosopher can write a thesis on that and I think it is almost equal to the argument, be fit and then govern your country. It is almost parallel to the same argument. We have to deal with realities as a Government. I claim that we are practically giving effect to the very provisions which this Act enunciates in England and with a small staff. But, Sir,

[Sir M. Azizul Huque.]

in England the price is easily ascertainable, the market is properly organised. In England there are more cities than villages, there you have not to deal with a vast country, and compared with India, England is a tiny little country. That being the position, the principles which might easily be acceptable to England may not be possible for a country like India. Secondly, the Board of Trade has for a long number of years had adequate staff to deal with this problem. As I have said, I am not entering into the question as to why we have not the staff, but the fact is we do not have them. We have to make the best in the present circumstances. As regards the Anti-Hoarding and Anti-Profiteering Ordinance, what we have done is this. It is quite true that in England there is a basic price, there is an increased price. We have accepted the same principles here. What we have done here is this. We say you charge the normal profit which you are charging before the war or you charge 20 per cent., whichever is less. We are allowing a margin of 20 per cent., but if you have to charge more, then instead of going to the Board of Trade as in England, please go to the Controller General. That is the only difference. We have only substituted the Controller General in place of the Board of Trade. In England they must go to the Board with a view to get proper parity of price in consideration of the present circumstances. I consider that is the most rational arrangement in the circumstances like the present. We have fixed the normal trade profit; if it is less than 20 per cent., it will be 20 per cent. If it is more you must go to the Controller General. Why do we fix 20 per cent.? Because we consider 20 per cent. is a fair limit for everybody so far as profit is concerned. If on the other hand it is not sufficient, there must be some organisation to check as to whether a price of over 20% is a proper and suitable price, and let me say that we have in many cases allowed more than 20% because we are satisfied that in so far as the particular trade is concerned a profit basis of 20% is too low. It is certainly a difficulty for the trade and businessmen to go to the Controller General and get a decision. I agree there but we are living in abnormal circumstances and that is unfortunately a contingency which we must inevitably ask them to bear for the time being.

It has been said that among luxury goods price control is unnecessary and among these goods are fountain pens and watches. I am not an economic scholar of that repute by which I can really find out whether fountain pens and watches can come under luxury goods: or whether it is possible for me to find out which goods should be for the poor and which for the rich. My friends will admit that the market frailties are as much present in England as in India. I am quite prepared to hear any cogent reasons to make the administration feasible. It has been said that we should consult trade. We have been doing it. We have been constituting advisory panels in the different trades. We have not been able to deal with all but we are quite prepared to see that the industries, traders, commercial men and businessmen flourish in this country, but not at the cost of the consuming public by asking them to pay much more than they ought to. Having regard to this principle, we are quite prepared to consult them and we are consulting them. As a matter of fact, the life of the Member in Charge of Commerce and Industry for the last few months has been a long series of receiving deputations as regards export and import quotas, distribution of film and paper, price controls and various other measures. As to the question of the prohibition of certain exports suddenly, even this villainous Government after doing it thought it necessary on receipt of a representation of relaxing the measure for some time to come. I am perfectly certain I shall not be told that that control measure was unnecessary. We have to look to the condition of the civilian market as a whole, not today but to-morrow also. If we allow any article to go abroad, whether it is a finished goods or a raw material, without taking into consideration the existing or the future production of stock, it will be difficult for us to check the tendency already in the field and to provide consumer goods for the public.

I fully agree that the time has come when we must try to look to the question of India's capacity to purchase more consumer goods. I am sure no one in this House will deny this, not even the Members in the Treasury Benches, who have been considered no more than traitors to the country, and who for the last six months have spent many busy hours with a view to find out a suitable plan which might meet the exigencies of the circumstances in so far as the industrial development in the country is concerned. It is with a view to bring the switch on from war to peace that efforts have been going on between the Supply Department and my Department, between the Finance Department and our Department, to find out the different avenues which might be open to minimise the difficulties of that stage. Much more civilian goods are being released. It may not be known. Woollen cloth has been released. Boots and shoes are being released and 50 per cent. of the indigenous production will be soon in the market for civil requirements.

Sir F. E. James: Will the price of shoes be fixed?

The Honourable Sir M. Azizul Huque: We are trying to look into the question of the price when we are releasing. We have done it in the case of wool. We are making the woollen dealers sell at a price fixed by us and keep a schedule open. Nearly 50 per cent. of the rubber shoes will be available. Our immediate aim is to release 75,000 tons of cement for civilian needs, gradually raising it to 100,000 tons a month. We are gradually releasing more and more paper in order that the market may not be disturbed. I do not want to give you the actual figures today. It is dangerous for me sometimes to give figures.

Seth Yusuf Abdoola Haroon (Sind: Muhammadan Rural): It is not in the market.

The Honourable Sir M. Azizul Huque: At least, even now I have seen publications which should never have been published.

Mr. T. T. Krishnamachari: Is the Honourable Member referring to his experience in railway bookstalls?

The Honourable Sir M. Azizul Huque: I belong to a family that has been printing and publishing books for years. I know the situation in every stage very well.

The same may be said in the case of matches, cutlery, timber, enamelware, electric lamps, steel. It is not necessary for me to refer to all these details. I can assure the House that we are taking every step either to increase production or to release the quantity produced or to get more for civilian consumption by getting the defence needs from abroad, if possible.

Mr. Ananga Mohan Dam (Surma Valley *cum* Shillong: Non-Muhammadan): Electric lamps also?

The Honourable Sir M. Azizul Huque: So far as the electric lamp is concerned, the entire indigenous capacity will be released for civilian consumption.

As regards the import of consumer goods, I have never been able to find out the proper value or the medicinal property of whisky and other liquors. I know many friends of mine do and when I have to deal with consumers goods I have to deal with some part of them also. There are many who find their temper and morale levelled by taking a peg of whisky. At the same time do remember that when a small quantity of this whisky and other drinks are imported the largest part of the price goes to the Government revenues because the excise duty is very high and therefore

Sir Muhammad Yamin Khan: That is all very unconvincing.

The Honourable Sir M. Azizul Huque: It is very uncomfortable for those who want a lower price for it! For the last few weeks I have been telling this House about the nature of the commodities that are being imported, but I cannot understand why everybody will hang round a peg of whisky, because there are so many articles in the list which are so essential. I do not want to tire the patience of House by enumerating them.

Sir Muhammad Yamin Khan: How much space was allowed to whisky?

The Honourable Sir M. Azizul Huque: I am prepared to answer that question, but I can tell you that it was very very small. I hope the House will devote themselves less to whisky than to other goods.

Sir, my policy so far as I am concerned is that anything imported as consumers goods must be an essential article. It must be available in the exporting country, because there are some for which we are anxious, but we cannot get them. It is not my fault. Then, Sir, the production, if any, here must be insufficient, and then it must be required for the needs of civilian public. Then it must be remembered that this import is not a *magna charta* or a permanent settlement: it is changed every quarter or every six months. Therefore, even though you might import little things for six months, they are going to be reviewed a few months hence having regard to the situation of the country. Fundamentally it is the declared policy of the Government of India that any import must not affect Indian industries at any point. Sir, this is the very fundamental attitude with which we are approaching the situation. As I said before we are fully conscious of our responsibility, more so, most so, because those who are in opposition are not quite prepared to accept our places. We are firmly conscious. Well, Sir, I assure you that whatever we do we do it with a view that the Indian industries may prosper and develop and that Indian industries may not be affected. All our efforts are directed to achieve that objective.

Sir, with regard to the Hoarding Ordinance I may say that we have already penalised any sale beyond the fixed price of a number of articles. I do not want to go into the details. But a large number of cases have been prosecuted. I know of a province where in the evening detection was made and the next morning it had the desired effect. Sir, we want that example to follow. Some of my friends suggested why should not we hold Provincial Conferences. I wish the Honourable the War Transport Member were here. It is impossible for us to hold a number of Conferences on each and every matter. Within the last three months, I know, how many Provincial Conferences have been held. Now, we have done the next best. We have sent the Controller General with a view to explain the position to the press, to provincial officers, to Chambers of Commerce, and if my Honourable friend has got himself in touch with the newspaper he will find out that the Controller General has been on constant tour during the last four or five months with a view to explain the principle behind the Anti-Hoarding and Anti-Profiteering Ordinances. There have been cases in which there has been detection of sale beyond fixed prices, there have been cases where there has been detection of excessive possession, refusal of cash-memo. But, Sir, I hope you will not ask for the impossible to be done in the course of a few weeks. Tendency which has been accumulating for so many years cannot be checked in a day, nor is it possible to deal adequately with the situation immediately, as some Members have said that immediately the prices of articles are given out those articles go to the black market. It is, therefore, too much to expect us to deal completely and finally with the situation immediately.

My time is almost up. I have got a few minutes more. I will, therefore, only refer to the glass-bangle industry. I think, I will be guilty of a grave omission of my duty if I do not refer to the glass-bangle industry which has created a statue for Mr. Joshi according to Mr. Mehta. If it is a fact that there has been so much dislocation of labour, if it is not possible for labour to be diverted to anywhere else, it is a matter which is certainly worth consideration to find out some remedy for it. A question was put only today.

Mr. N. M. Joshi: Two years ago, I asked a question about this.

Mr. Jamnadas M. Mehta: I put this question six months ago.

The Honourable Sir M. Azizul Huque: At least there has been a gap of six months. In any case, so far as these matters are concerned, the Government of India must depend upon Provincial Governments as to what steps should be taken. I can assure my Honourable friends if there is any representation from

the Provincial Governments and Provincial organisations, we shall certainly take steps to meet the situation. But it must be remembered that at times we have been in most critical and difficult position to find out where the coal should be sent, whether it should go to factories which supply electricity to civilian population, to industrial concerns, or to steel production or to the factories producing drugs and medicines or to the textiles which is producing standard cloth and various other types of articles. We have, it must be remembered, to find out the relative priority of those articles. If by some chance or other we find we are not able to meet a particular case or it is difficult to make proper adjustments for all, I wish we had abundance of goods and abundance of transport facilities. Having known that we have to meet the position as best as we can, yet I can assure you, if we know the actual unemployment and the effects of the efforts made to meet some aspects of the need, I at least would be prepared to bring this matter to the notice of the Honourable the Labour Member and the Honourable the War Transport Member. All I wish to say is that it is extremely difficult for Government to supply to all at one time. We are constantly watching the situation. I can assure you that not only the War Transport Member but every Member of the Executive Council twice or thrice every week has to very carefully study the whole situation and we are constantly cognisant of that position.

Sir, I wish Sardar Sant Singh practising in Lyallpur would help me in finding out how distribution can be made. I am quite prepared to place all my cards on the table, I shall also place all the cards of the War Transport Member on the table, if my Honourable friend with a robust mind can bring out a robust solution, I will accept it.

Sir, I have tried to show that in so far as these various control measures are concerned, not that we have been able to achieve every thing which we wished for within the last one year, but we have tried at least to check the tendency of profiteering. We have at least made those who are profiteering, conscious that they will not be able to go on with profiteering tendency in this country any more, and in many cases we have been able to bring down the prices. After my Honourable friend, Mr. Jamnadas Mehta, spoke the other day about cloth control price, I went myself to the shopping centre here. I saw the price of a textile marked at -/15/9. I can assure you, Sir, that six months before I could not get exactly the same article for less than Rs. 2. We have been able to do something. The best cloth for suiting is available for about -/15/- a yard and the *Khakhi* which was sold at 1/10/- to Rs. 2 is now in the market for annas twelve. I think everybody will admit that at least in the textile section we have been able to do something. But if there are some who do not like us, no matter, who commits fault, no matter what may be the existing constitution *vis-a-vis* the Provinces and the Centre, no matter how vast the country we have to deal with, no matter what we do good, bad and indifferent, for those, who do not like us, I have no answer for them.

Honourable Members: The question be now put.

Mr. Chairman (Syed Ghulam Bhik Nairang): The question is:

"That the question be now put."

The motion was adopted.

Mr. A. C. Inskip: I beg leave to withdraw my cut motion.

Mr. Chairman (Syed Ghulam Bhik Nairang): Has the Honourable Member the leave of the House to withdraw his motion?

Several Honourable Members: No. No.

Mr. Chairman (Syed Ghulam Bhik Nairang): The question is: "That the demand under the head 'Department of Industries and Civil Supplies' be reduced by Rs. 100."

The motion was negatived.

Mr. Chairman (Syed Ghulam Bhik Nairang): It is now the turn of Un-3 P. M. attached Members to move their motions. Mr. Joshi.

Mr. N. M. Joshi: I wish to move cut motion No. 146 on the main list.

DEMAND No. 23—DEPARTMENT OF LABOUR.

The Honourable Sir Jeremy Raisman: I move:

"That a sum not exceeding Rs. 17,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Labour'."

Mr. Chairman (Syed Ghulam Bhik Nairang): Motion moved:

"That a sum not exceeding Rs. 17,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Labour'."

Government Policy in dealing with Questions affecting the Interests of Indian Labour.

Mr. N. M. Joshi: Sir, I move:

"That the demand under the head 'Department of Labour' be reduced by Rs. 100."

This cut motion is being moved in order to discuss the policy of the Government in dealing with questions affecting the interests of Indian labour.

Sir, the conditions under which Indian labour has to work are extremely unsatisfactory compared with those that exist in other countries of the world. The hours of work here are too long, the wages in India are too small, and there is almost an utter lack of provision against sickness, unemployment and old age. These extremely bad conditions under which Indian labour has to work are the result of a policy of neglect followed by the Government of India. Their policy has been, if I may say so, a policy of inaction. Where they think of taking some action, they are very slow in taking that action, and when they actually take action, the measure is so small and inadequate and timid. If you study the history of labour legislation in this country you will find that after the Royal Commission on Indian Labour reported in the year 1930 the Government of India passed some measures of labour welfare which I may consider measures of some importance. They reduced the hours of work in factories, improved the Factories Act to some extent. They improved also the Workmen's Compensation Act, passed an Act called the Payment of Wages Act, they reduced the hours of work in Indian mines, and also enacted a law for controlling emigration to Assam. But, Sir, afterwards the Government of India has not passed any measure of importance during so many years. I feel that the miserable conditions under which Indian labour have to work are the result of this unsatisfactory policy. The conditions under which Indian labour was working before the war were unsatisfactory, but they were allowed to be worsened during this war. When the war came the Government of India permitted by notification longer hours of work in Indian factories in order to have more production. I am not against more production, but in India labour supply is so plentiful that there was no need for Government to permit longer hours of work in factories. Not only that, if more production was necessary the Government of India should have introduced the shift system in Indian factories. The only thing that was necessary was that labour should have been paid well. What has happened is that since the war the cost of living has gone up but the Government of India did not take measures to see that labour got adequate compensation for the increased cost of living. It is true that in the case of some organised industries, though not very adequate, some substantial compensation was paid to the workers for increased cost of living. But that is confined only to some very big and organised industries. In the case of unorganised industries the workers did not get sufficient compensation for the increased cost of living. This is specially so in the case of industries where backward classes are working, such as, on Indian mines, on Indian plantations. Not only that, but during the war the Government of India should have permitted real wages to go up in those industries where the wages, generally speaking, are sub-standard. The Government of India did not do anything of the kind.

As regards wages in India, the wages vary from industry to industry, town to town and the Government of India have not taken any steps to see that there should be some standardisation of wages. The Government of India have appointed a dearness allowance committee and that committee has reported but the Government of India have not even published that report. I feel the policy which the Government of India has been following in this respect has

been unsatisfactory. I have referred in this House several times to the occasional unemployment which takes place in this country on account of the shortage of coal and such other supplies. This question was discussed at a tripartite meeting. It was decided that when unemployment of this kind takes place, there should be some compensation. The Government of India should have issued an Ordinance fixing some compensation to the workers during this enforced idleness and unemployment. The Government of India have done nothing of the kind.

Then, Sir, the Government of India, as in other countries, during the war passed what is called the Essential Services Ordinance and the National Services Ordinance imposing restrictions upon the right of the workers to leave their job when they wanted to leave. I know that this kind of restriction is placed upon the rights of workers in other countries also but in other countries like Great Britain great care is taken to guard the interests of the working classes in essential services and in services which are known as national services. I feel that the policy which the Government of India has been following in this matter is unsatisfactory. The protection given to the workers in essential services is not adequate. I know of instances where workers in essential services have been discharged and dismissed without any reason and without their getting any protection either from the Government of India or the Provincial Government.

Then, Sir, taking advantage of this war, the Government of India have restricted the right of the workers to go on strike. Here again, I agree that during the war strikes should be avoided but the Government of India has not taken sufficient steps to protect the interests of the workers, if the workers are not to go on strike. The Government of India have made arrangements for adjudication but this adjudication is not obligatory either on the Government of India or on the Provincial Government. They appoint adjudicators at their sweet will. The adjudication takes a long time and thus the workers' interests are not protected.

Some days ago, the Government of India appointed an officer to go into the question of health insurance. That officer has made a report. The report has been lying in the department for nearly six months. It has been shelved. The Government of India is consulting the Actuary. The actuaries are taking their own time. Then, the Government of India will take their own time. In the meanwhile the working classes in this country are suffering.

The Government of India some time ago appointed a tripartite organisation in order to consider labour questions. I welcome that step but that tripartite organisation, in my humble judgment, can only produce effective work if the work is properly done. In the first place, the organisation does not meet as often as it should. They call only one annual conference. Then the standing committee of the conference only meets twice in a year. I feel that the organisation should meet more often. Then, Sir, when that organisation discusses a question I feel that the Government of India should arrange that reports of the action taken on the discussion that takes place in the tripartite organisation should be made and should be discussed, so that progress will be watched and action taken. If this tripartite organisation is to do effective work, it should have a staff of its own. There should be an independent Chairman and there should be at least a whole-time Secretary for that organisation, so that, if the Secretary has got enough staff there will be interim reports made regarding the progress and more action will result. I feel that as the labour conditions in India are very backward and they have become worse during the war, the Government of India should now change their policy of inaction. The Government of India should act hereafter vigorously and take prompt measures. Not only they should take vigorous steps and act promptly, they should act boldly also.

The time for timid action has gone. We are talking of big things happening after the war and if these big things are promised and if they are to result in some progressive action, then the Government of India have to take proper measures to see that the big things for labour will also result. The Government

[Mr. N. M. Joshi.]

of India have appointed reconstruction committees and they have appointed a public health committee. I thought that the Government of India would constitute a committee like the Public Health Committee to consider labour questions. I know that the Government of India have appointed now a small committee consisting of three officers. I do not know how long that committee will take to report but I know that if a committee of three is appointed and if it makes some report, that report will have again to be considered by a representative and authoritative body. It will take long. What I want to suggest to the Government of India is this—that whatever may be their machinery for considering these problems that machinery must act vigorously and promptly and they must also take bold measures. I would like the Government of India to consider a report like the Beveridge report and on the model of that report, they should get proposals framed and considered. I am not suggesting that the Beveridge proposals will suit India without any change but what I want is that prompt measures should be taken and vigorously executed. We want the hours of work in India to be reduced. We want the wages to be brought to the level of other countries. Standard of life of the people of this country must go up. We cannot for ever live in misery.

Then the Government of India have to consider the question of social security. We have heard a great deal of social security in words but what is necessary is action. I would therefore like the Government of India to make plans for social security and these plans must be made promptly. For this purpose, the Government of India machinery itself must be well equipped for its task. I heard this afternoon complaints that the Government of India did not have large staff. It is not like the English Board of Trade, and the Honourable the Finance Member also said that his machinery was not well equipped for the task of preventing inflation. I am not prepared to hear such complaints from the Government.

If the Government of India machinery is not well equipped, let them equip it well. For that purpose, I would suggest that they should have an exclusive Labour Ministry. At present, we have a Labour Minister, a very able man and a friend of mine too. But, Sir, we want a Labour Minister who will be quite content with looking after labour matters only. We do not want the Labour Minister to look after Public Works, Geological Survey and ten other things. We want him to give his exclusive attention to the labour questions and we want a Labour Ministry on the lines of the Labour Ministry in Great Britain. We do not want only the Labour Minister, but we want the Labour Minister to have the adequate staff. The Government of India's machinery is inadequate for considering labour matters promptly and vigorously. Since my friend, Sir Andrew Clow, left the Government of India, without any disrespect to any individual of the Labour Department, I must say that the Labour Department is very poor in people who have the knowledge and experience of labour questions. This is due to the wrong policy which the Government of India is following by transferring people from one duty to another and by changing people from their duty. If the staff of the Government of India is to do its work well, they must keep their staff on that particular work for some time at least till they become experienced. The Government of India must not change them for some time, so that they will have a staff which is well-equipped for the work which they are to do. Then, the Government of India should have a sufficient number of officers in their Department. Take the Ministry of Labour in Great Britain. They have hundreds of officers. And take the Labour Department of the Government of India. I do not think they have got even a dozen officers. The Government of India should have many more officers and I will tell you what work they should do. I want the Government of India to have one officer to consider the question of factories. You will say that factories is a provincial subject but it is the business of the Government of India to co-ordinate the activities of the provinces. If there is no co-ordination in India, how can there be an all-India legislation and all-India progress? I want the Government of

India to have one officer who will deal with the question of wages; I want another officer who will deal with the question of industrial housing; I want another officer who will deal with the question of industrial health; I want another officer who will deal with the question of unemployment; I want another officer who will deal with the question of old-age pensions. There are several questions which I have not yet named and which must be considered if the welfare of Indian labour is to be protected. I know that the Government of India recently appointed Labour Welfare Officers and those Labour Welfare Officers are doing some useful work, but the Government of India does not take steps to see that the advice of these Officers is enforced. The Government of India must issue welfare orders as the Government of Great Britain does. I, therefore, feel that the Government of India should be well-equipped to adopt a vigorous policy and a bold policy.

When His Excellency the Governor General spoke to the Members of the Legislative Assembly, he expressed solicitude for the welfare of the Indian masses. Some people consider that that is an indication of a policy of social progress which the Government of India propose to follow. I hope those indications will be realised. But I want to tell the Government of India and also His Excellency that the working classes in India will judge them not by the soft words which they use but by the actions which they take. Sir, I have done.

Mr. Chairman (Syed Ghulam Bhik Nairang): Cut motion moved:

"That the demand under the head 'Department of Labour' be reduced by Rs. 100."

Shrimati K. Radha Bai Subbarayan (Madura and Ramnad *cum* Tinnevely; Non-Muhammadian Rural): Sir, I support the motion so ably moved by my Honourable friend, Mr. Joshi. I am greatly interested in the conditions of the working classes perhaps because I belong to that section of humanity, called women, who themselves suffer from many disabilities, social, economic and political, and can understand and sympathise with the people who try to overcome similar and other disabilities. I feel that the policy or lack of policy of the Government regarding labour is prejudicial to the interests of the workers and beneficial to those of the employers. My subsequent remarks will explain why I hold that belief today. The Government of India, as a rule, are indifferent to the welfare of the people of the country, and particularly to those voiceless people, the working classes. And unless the workers make an incessant demand, the Government do not feel obliged to attend to their grievances. But before considering the matter, the first thing that the Government of India do, is to place behind the bars some of the prominent leaders of the Trade Union who try to organise the working classes. That, however, is a habit of the Government of India. They cannot consider any demand of the people unless they place at least a few of the prominent leaders who put forward that demand behind the prison bars before they give their attention to the matter. After they have silenced them, they make a few promises. But before they fulfil any promise, they must appoint a committee to examine the question, and after the committee has presented a considered report, they must take time to study it and by the time they come to a decision whether the recommendations of the Committee should be given effect to, there is need for another committee. And so this process goes on. Meanwhile, a few of the leaders die in prison and a great number of the workers outside, especially women and children, die in their hovels or in the streets. It is because I know that conditions among the working classes are so bad that I speak on this motion today.

The Royal Commission on Labour is ancient history, but the Government of India have still to give effect to some of their recommendations. I wonder if the Honourable Member for Labour is aware that even here, very near us in Delhi, there are a few factories for making ball-thread, where about three to four thousand women are working in most appalling conditions. I visited some of these factories only yesterday and I was amazed that next door to the grand Capital of India there were places where human beings should not live and should not work. The women who work in these factories come there at about 7 A.M. and stay there till about 7 P.M. and they then earn a miserable pittance.

[Shrimati K. Radha Bai Subbarayan.]

of 6 to 8 annas a day. I accompanied some of these working women to their huts. The moment they return home, they get busy with domestic work and they have hardly any rest. Sometimes when there is a great demand for ball-thread, they are summoned from their homes at the early hours of the morning, say 4 or 5 A.M. It was pathetic to see their condition. I understand that the provisions of the Factory Act are not applied to these factories. These women do not know their rights and the employers are, therefore, able to exploit them as much as possible. Even this little wage of 6 to 8 annas which they get is sometimes decreased by the imposition of fines. If accidentally the thread breaks, the worker I believe is fined one anna. I could tell this House more about their sad state but for want of time I shall pass on to other matters. In this connection, I must, however, respectfully submit to my Honourable friend Mr. Joshi that it is not increase of officers that will help workers. A change of policy on the part of the Government is necessary for improving the conditions of the working classes. In the case of these factories in Delhi itself, I am sure the Government of India have got enough staff to see that the factories are run according to the terms of the Factories Act. But why have the provisions not been applied to them? Surely it is not because they have not got sufficient officers.

Now, Sir, coming to the present committees, the Government appointed the Rau Committee and I understand that the Government are still in the process of slowly giving effect to these recommendations and by the time they complete it, I suppose the war will be over. There is the dearness allowance Committee. My Honourable friend, Mr. Joshi, has already pointed out that the report has not been published and nobody knows what the recommendations are. Yesterday, Sir, my Honourable friend, Sir A. Ramaswami Mudaliar, expressed great sympathy for the social disabilities of the scheduled castes. May I ask him whether he and the Government are aware that the scheduled castes form a good portion, if not a major portion of the working classes? It is not mere sympathy alone that counts, we want positive proof of their sympathy. After listening to the debate yesterday, I gathered that the only benefit that the scheduled classes had was that their representatives were on some Reconstruction Committees and they will be given places on some other Reconstruction Committees. He forgot to mention that they had representation also on a Group which was sent to America and Canada to attend the meetings of the Pacific Relations Committee, but really to present a rosy picture of the present regime in India and to defame the Congress! But is that sufficient? What have the Government done really to improve their conditions in life?

Except when the Government remember the advice given by my Honourable friend, the Deputy Leader of the Muslim League Party, they point out to this House and to the country that a great world war is in progress and that the primary function of this Government is to prosecute the war successfully. Yet, they themselves forget that they should formulate plans and base their actions on these plans which should meet any new contingencies that may arise, during this very war. Take for instance the coal problem. If the Government had a proper co-ordinated plan for the production and consumption of coal, we would not have been in such a serious position today with regard to coal. When the situation with regard to coal became very grave, the Government of India feeling helpless, turned to the coal mineowners for advice. These colliery owners, like the generality of employers all over the world, are mainly concerned about their assets and profits and from what has taken place, I gather that they impressed on the Government of India that the only remedy was, first that they should be excused from paying a share of their profits to the Government for prosecuting the war and that they should be allowed to exploit the families of their workers also. It is marvellous how rapidly Indians get infected with inertia when they become members of the Government and accept readymade decisions. One would have imagined that a Government which poses as the trustee of an ignorant and a stupid people would at least not dare to shock world opinion. The country knows that the Government of India are capable

of ignoring or suspending their own laws. But to take the step of breaking an international convention is a very serious matter indeed and in spite of all the experience I have had of the Government of India, I would not have thought that they would have shocked world opinion in this manner. The excuse they give is exigencies of war. But how can the world accept such an excuse when no other country which is fighting this war, has allowed women to be employed for underground work in mines, a work which has been universally condemned as inhuman.

Sir, it was in 1934 that an International Labour Conference considered this subject of prohibiting women from working underground. My Honourable friend, Mr. Jamnadas M. Mehta, and myself were at that conference, and, I, alas, was attached to the Government delegation. I would never have accepted the invitation of the Government of India had they not assured me that they advocated the prohibition of the employment of women for underground work in the mines, and that I was free to express this opinion as strongly as I could do at the conference. The conference appointed a Committee to examine and report on this subject and to draft a convention. This Committee, perhaps as a compliment to the Government which was advocating the convention, though it had until then permitted women to be employed for underground work in mines, elected me as rapporteur of that Committee. The Government of India, therefore, had the privilege of presenting the convention to the conference at its plenary session and having it unanimously accepted. The Indian employers did not then dare to oppose it as the delegations from all over the world entirely supported it. I am mentioning this at some length to show how serious is this breach of the international convention. The Government of India sent a delegation to support this convention and it was presented to the conference by the representative of the Government of India and therefore, this action of the Government is more unforgivable.

My Honourable friend the Member for Labour says that the Government of India were very earnest when they signed this convention and that they had considered this matter for over a decade. It is very sad indeed that contrary to the belief that time brings progress a later Government of India reintroduces a most reactionary and cruel measure which is entirely opposed to the convention that they themselves had previously advocated. My Honourable friend says that he is unhappy about it. That is very poor comfort for these miners and for those who sympathise with them. The real reason, if I may say so, for the unhappiness of my Honourable friend is that he cannot satisfy his own conscience that he is justified in being a party to this measure. Sir, if there is no other reason for censuring the Government, the coal position of today is sufficient to condemn the Government for neglect of their duty.

Mr. Jamnadas M. Mehta: Sir, I rise to support this motion and I do so for three important reasons. The achievements of Government in the interest of labour of India since 1921 are not altogether insignificant, but they are not at all adequate. I therefore press for adequacy. After 24 years of world-conscience awakening to the condition of labour the Government of India are still far backward. I know that the number of Geneva Conventions they have accepted is very large. But the action taken is half-hearted and halting. And even as regards those Conventions which they have accepted they are worked very unsatisfactorily. Apart from these Conventions the Government of India have done something on their own initiative; and particularly since the advent of the Honourable Dr. Ambedkar some one or two important measures have been taken, although they have not yet reached the stage of finality. The one thing which is to his credit is the establishment of the tripartite Labour Conference; but I beg of him that it should be brought up to the level of the International Labour Conference at Geneva and even improved upon. It is not enough that you make a good beginning, you must further work it up until it comes up to international standards. I wish to tell my Honourable friend that his tripartite conference still lacks very much in that direction. In the first place he sits there as the sole judge of right and wrong; he alone gives the directions. My request to him is that he should divest himself of that final

[Mr. Jammadas M. Mehta.] executive power, at least within limits, and that the decisions of the conference must be taken as binding on Government and not merely advisory,—at any rate binding in some respects if not in all. That will be the first step towards bringing this tripartite conference to the level of the International Labour Conference. At Geneva, all things that are carried are binding on their Governments and they are bound to take a decision one way or the other at least with the consent of the legislature. If a Convention is passed in Geneva the Governments of the participating countries are bound to put it to their legislatures in Parliament, and if the Parliament accepts it is implemented. Here also that system should be introduced, that if the tripartite conference takes a decision Government should come to this Legislature and if this Legislature approves they must carry it out. That would be a step in the very right direction which I commend to the Honourable Dr. Ambedkar.

Then the other two or three things which I ask him to expedite are these. First, there is the question of sickness leave with pay. All sorts of schemes have been made since 1937-38 by Congress Governments in the provinces and Dr. Ambedkar's predecessors in office even in this House. Schemes have been discussed and approved; Government themselves have undertaken to see that something is done and now for the last two years they have gone to sleep. The same example will apply to the Railway Department. Nearly 14 years ago the Royal Commission on Labour recommended a method of settling railway disputes, namely, standing machinery for railway disputes. We have argued and argued and argued with the Railway Board year after year and still we are nowhere within measurable distance of a standing machinery for the settlement of grievances. We have got no means of settling disputes that we can trust. Seven lakhs of railway workers may have seven thousand grievances; finality is reached as soon as either the administrative head or the Railway Board say, 'Thus far and no further'. There is no means of bringing to a test the genuineness, the justice and the fairness of our cause. Do you not think, Sir, that in these days, in the midst of such a war, the workers should have some definite machinery which will defend them against the wrongs of the employers? When we went to my Honourable friend Dr. Ambedkar with a grievance against the Railway Board and requested him to give us a machinery, he point-blank refused. So the Government of India have provided no machinery for us with respect to either the Conventions about amelioration of labour or relief in the matter of accepted policies. Even if policies are accepted and we have a grievance there is no final measure by which we can test whether relief will be available. Whether in the matter of wages or in the matter of working conditions or in the matter of administering accepted policies, the working classes are still at a serious disadvantage. I will give you only two cases. I will request the Finance Member that he should consider and consider as quickly as he can two cases which relate to his department. I addressed a letter to him about 8 or 9 months ago. He had been good enough to reply to me seven months ago that he was looking into it. Yesterday I have again addressed a letter to him that if his looking into has been completed he might let me have the result. It relates to key-punch operators in the Finance Department and their grievance is serious. I am not inclined to hustle him but I do beg of him that now after a year the time has come when he should give us some relief that he kindly promised.

The Honourable Sir Jeremy Raisman: If I had promised to give relief I must have done it by now. Does the Honourable Member know that it has not been done?

Mr. Jammadas M. Mehta: Till yesterday, I know it was not done. If I am wrong I shall be happy to be corrected.

The second thing relates to the threatened strike in the department of the Chief Controller of Supply Accounts. Nearly 239 of the employees are in a miserable condition; discipline in that department is awful. If a man's child is ill he cannot go and if he goes he is marked as 'habitual absentee'. Two such cases have happened where children have died; the miserable father is

stricken with grief on the one hand and scolded by the department on the other. They get a treatment which is worse than slavery. I beg the Honourable Member to look into the matter. If the grievances of these people are not removed, in their desperation, helplessness and utter disappointment they have threatened to resign. I do not want them to resign; I want them to work with you but I want that you will kindly consider their case. Their cost of living in this city, as worked out by them, comes to Rs. 125 a month and their salaries rarely exceed Rs. 70. And after so many years they are still expected to live on that low salary. The Honourable Member has got all the correspondence and I do hope he will investigate these points. I am not, therefore, saying anything further on this matter.

One last point and that is that even accepted policies are so indifferently executed that they remain more or less a dead letter. I will ask the Honourable Member for War Transport how many grievances he gets by wire about grain shops which do not sell grains. I got a wire which I will read out:

"Pray urge Government immediately to supply us rice—starving—situation grave—Bijapur and Sholapur Districts Railway Staff."

There is an accepted policy on which a vote of this House is taken. They say, 'we have 513 shops and we have issued 8 lakhs of cards and we are selling 10 lakh maunds of rice', and yet this is the cry from Bijapur and Sholapur. And there is another cry from Broach where there was actually a serious breach of public peace on account of starvation of the people which included railway employees. Then, there is another place where serious injustice is prevailing. It is the Karachi Port Trust. I will only read the letter of the Chairman, Karachi Port Trust—the iron hand behind the soft glove. Here is a printed letter in which that gentlemen whose name is Bushby threatens the workers who have asked nothing more than better conditions. This is how he threatens: "Agitators who call themselves your leaders have been spreading malicious lies about me."

Those whom he calls agitators command the confidence of 2,200 out of 2,300 workers affected. Here in the Karachi Port Trust, which is my friend's department, 2,250 workers have passed a vote of censure against their President whom they do not want but who refuses to move because he is a protegee of Mr. Bushby. Workers are dismissed because they do not want him and they are threatened by this kind of letter which is extremely intimidating to their spirit:

"Agitators who call themselves your leaders have been spreading malicious lies about me and the officers of the Port Trust. They do so for their own ends."

What he calls 'malicious lies' are the grievances which have not been redressed. What are the 'ends' of a worker except to get good wages and better conditions? There is no aim other than amelioration of economic condition which 90 per cent. of workers have at their heart. You turn them into communists, you turn them into agitators, you turn them into malcontents by not giving them the justice that they are asking for. Then he says:

"They do so for their own ends. Do not listen to them. Strong action has been taken and will be taken against any one who stirs up discontent . . ."

Now, what is to be done? On the one hand you give no relief. If the workers ask for relief, you call them agitators.

"Until the election, therefore, of your new Committee you should submit any grievances through your own foremen and overseers who will enquire into them . . ."

That is, until the new election takes place the Union should not function. This state of affairs is deplorable. Sir, I do not want to go further into this letter. I can give you further particulars, if necessary. I have got to raise one or two more points before I sit down. I ask Sir Edward Benthall to look into it. These people have been approaching him during the last six months. The matter is pending; no reply has been given. Their deputation is here and they have not been able to see him—he is too busy. The only man who is the leader and who has undoubted confidence of these people has been dismissed. I beg of the Honourable Member to look into the matter in the interest of the Port Trust Work itself—the war work. This type of victimisation is not in the interest of well being and contentment of labour.

One more point and I shall finish my observations.

Mr. Chairman (Syed Ghulam Bhik Nairang): The Honourable Member has one minute more.

Mr. Jamnadas M. Mehta: One minute is quite enough, Sir. My last point is that the policy about labour must now be fully laid down and so far as the various Reconstruction Committees are concerned, labour should be fully associated. I have really no anxiety in the matter of so-called Scheduled Castes' representation. I regard them as so many workers; they are all humble people.

Mr. Chairman (Syed Ghulam Bhik Nairang): The Honourable Member's time is up.

Mr. Jamnadas M. Mehta: I, therefore, ask the Government that in the various reconstruction schemes labour's point of view should be kept before them by associating, as far as possible, accredited labour representatives with the work of the various Reconstruction Committees.

Seth Yusuf Abdoolah Haroon: Sir, I rise to support the motion moved by my Honourable friend, Mr. Joshi. Sir, the condition and wages of labour in my province are so poor that it is not easy for me to describe them here. My Honourable friend, Mr. Jamnadas Mehta, has rightly demanded that the condition of labour should be improved and brought on to the level and standard of International Geneva Pact, but he will be surprised to hear that in my province the wages and the conditions of labour are so poor that they do not compare favourably with the wages that are being paid in Bombay or Calcutta Port. In Karachi Port Trust there is a Union and a few years ago they put up a demand before the Government. The result was that their leaders were arrested and put in jail. The same condition exists now. They are trying to get their grievances redressed, but nobody hears them. The Labour Department also refuses to hear them. One Mr. Nimbkar, who is Secretary Welfare Department, came down to Karachi; he made enquiries into the labour condition and submitted his report, but the report is still not published. We are not aware of the result of that enquiry. What has been done with the enquiry report? That report seems to have been shelved. I do not know why? Mr. Jamnadas Mehta has rightly pointed out that many grievances have been brought to the notice of the War Transport Member, but he refuses to listen. The deputation of the workers of Karachi Port Trust is here; they have been going from door to door. The War Transport Member refuses to see them—he has no time, the Secretary is too busy. Where are they to go? Fortunately I have been able to get them some time from one of the Assistant Secretaries and they have been able to put up their case. If they raise their voice by other methods, they are put in jail. So, how is the condition going to be improved? Their demands are very reasonable. The War Transport Member is paying dearness allowance in the Railways, but to the Karachi Port Trust workers he does not pay the same allowances. People who are working in the Karachi Railway Division are getting more pay and allowances than these people. The Port workers have no place to live; they hardly earn Rs. 30 to 50 per month; they have no quarters; they have to go 7 miles out of the city to live in slum quarters. And here is our Labour Member who is too busy in looking after the P. W. D. and looking after the accommodation of Honourable Members of this House. He is too busy to pay his attention to the conditions of labour. If he is unable to do justice to his work in this department he should leave it to some one else or, as Mr. Joshi has suggested, a separate Member should be appointed to look after this work.

What about the condition of Taxi drivers? They are hardly getting 30 gallons per month in my city. In Bombay they are getting 45 gallons. How can they live when things are made so hard for them? They cannot get tyres, they cannot get tubes, they cannot get spare parts, and the Labour Department is silent over these matters. No help is given to these people, and then our

Labour Department comes up with demands. I do not know where the money goes and how it is spent. I hope that the Labour Member will look into the allegations and see that some justice is done to these poor people.

With these words, Sir, I support the motion.

The Honourable Dr. B. R. Ambedkar (Labour Member): Mr. Joshi has travelled over such an extensive field and raised so many points that I feel that it would be hardly possible for me to deal with each one of them specifically and to discuss what he has said and what I as representative of the Labour Department has to say in reply. Having regard to the inadequacy of time I am bound to pick and choose such points as I think are necessary for me to reply in the course of this debate.

The Honourable Sir Sultan Ahmed (Leader of the House): Do not forget his bangles!

The Honourable Dr. B. R. Ambedkar: Sir, Mr. Joshi started by making a general statement that the conditions of labour in India were extremely unsatisfactory as compared with conditions obtainable in the rest of the world. Sir, it is not my business to say from here that I dispute that proposition. Undoubtedly it is a fact. All that I want to say is this, that it can hardly be said to be the responsibility of the Government of India if the conditions are at all unsatisfactory as Mr. Joshi has depicted them to be.

Sir the conditions of labour in this country are largely governed by the industrial development of this country over which this Government has hardly any control, and therefore it is no use laying any accusation at the Government of India if the conditions are really unsatisfactory.

Mr. Joshi said that as a result of the examination of the conduct of the Government of India, he found that the Government was guilty of neglect, of inaction; it was timid and whatever it did was on an inadequate scale. I should like to say that in passing this judgment, Mr. Joshi failed to make a distinction which, I think, is a very necessary one to make. There are labour problems on which there is no dispute. There are labour problems which raise no financial consequences. Now, what I would like to know is this: Whether on any labour problem on which there was no dispute between the parties concerned, or which did not raise any financial question, the Government of India had not taken the action with all the necessary promptitude that the urgency of the case required? Sir, I have no hesitation in saying that in all such cases, where there has been perfect unanimity or an approximation to unanimity, and where there has not been the involving of any financial burdens, the Government of India has acted with all the promptitude that is due from it.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): There was no need for action in such cases.

The Honourable Dr. B. R. Ambedkar: Very much action is necessary.

Then Mr. Joshi said that the conditions of labour during the war had suffered a great deterioration on account of the fact that Government had granted certain exemptions from the Factory Act with regard to the time of working and they had introduced a limitation of labour's right to strike on requiring 15 days' notice. He also referred to the fact that the Government had introduced the National Labour Service Ordinance and the Technical Personnel Ordinance by which people were compelled to stick to certain jobs notwithstanding their unwillingness to do so. I am glad to say that Mr. Joshi had the fairness to admit that in the midst of war such limitations were justifiable, and I would say on my part that wherever any complaint has been brought to my notice with regard to the operation of these war time measures, I have taken the promptest action to rectify the grievance. I shall give only one instance. I remember Mr. Joshi raised a point that the power given under the Ordinance to the employer to prosecute the employee was a harassment of the labourer. I readily accepted the point and I remember we issued an amendment to the Ordinance to remove the power from the hands of the employer and to hand it to the Crown Prosecutors.

[Dr. B. R. Ambedkar.]

Sir, as I said, I cannot deal exhaustively with these matters but I could sum up the whole situation by saying this, that when I examine the war time legislation of the Government of India, which undoubtedly has the effect of restricting the liberty of labour, I think two new principles have emerged from it. The first is this: that the Government of India for the first time has taken upon itself the responsibility which it never did before of fixing the conditions on which a labourer may be employed. I think this is altogether a new principle which had no place in our labour legislation so far, and I am sure that this principle which has found its place in war time legislation will be given a permanent place in the labour legislation of this country.

The second important principle which this war time labour legislation contains is the principle of compulsory arbitration. Sir, my friend, Md. Joshi and my friend, Mr. Jamnadas Mehta, I think, both of them, will allow me to say that I have some personal experience of labour. I have known and seen the wasting efforts that labourers have made by going on strike in order to obtain certain advantages from their employers, and I think I can say without exaggerating the matter that I know hardly of a case where the workers after a long, arduous, painful, wasting struggle, extending over months together, had ultimately to surrender to the employers and go back on their old conditions or conditions much deteriorated. Sir, the provision contained in Rule 81 of the Defence of India Rules, which gives the Government the power of compulsory arbitration, has been, to my mind, a matter of the greatest benefit to labour. There are very few cases, so far as I know, where this power, when it has been adopted, has not given labour what it was struggling to get. There are very few strikes so far as I know which have not ended successfully in favour of labour. The complaint which Mr. Joshi makes with regard to the provision contained in section 81 is that we had not employed rule 81 in each and every case. His contention so far as I have been able to find out is that Government is not willing always and in every case, where labour has raised a dispute, to apply this section. Sir, I have great sympathy with that point, but it is obvious that the contention of Mr. Joshi cannot be accepted, without qualification. We could not accept the position which Mr. Joshi has taken up, that is, to undertake to apply this rule in every case the moment a trade union notifies its intention to go on strike, because its grievances have not been met.

An Honourable Member: Why this right is being refused to India and is not refused in the case of other countries.

The Honourable Dr. B. R. Ambedkar: There is no compulsory arbitration there, if I may tell my Honourable friend.

Dealing with the point, as I said, we cannot accept the principle that the moment a trade union sends a notice to the employer or threatens to strike we should at once proceed to apply rule 81. We must have the opportunity, we must have on our shoulder the responsibility of examining whether the grievances are genuine, otherwise the question of strike may be a matter of day to day work to which I am sure nobody in this House will be prepared to give his countenance.

The other point which Mr. Joshi raised was with regard to the inadequacy of the Labour Department in order to deal with the problems of labour. His contention was that there should be a separate and exclusive Labour Ministry to deal with questions of labour, that there ought to be officers appointed—one for making report on the old age pension, another on sickness insurance and the third one on some other urgent labour problems. Now, Sir, it is not my business to controvert what Mr. Joshi has said. In fact, personally I have great deal of sympathy with what he said. All I wish to say on the point is this: that if we take the circumstances in which we are living and carrying on administration, it cannot be said that the Department of Labour as it is constituted is inadequate to deal with the problems arising. Sir, the first thing to be noticed is that the Labour Department is no longer an appendix to some other Department. At one time it was an appendix either to the Commerce

Department or an appendix to the Industries Department. It is no longer so. It is a separate and an independent Department. It is true it is not an exclusive Department. All the same let nobody argue that it is not an independent and a predominant department in the group of Departments which are controlled by the Honourable Members in charge of them.

Then, Sir, we have recently considerably expanded the Department. Before 1942, we had only one Under Secretary to deal with the labour matters in the Labour Department. We have now one Deputy Secretary and two Under Secretaries in the Department. In addition to that we have a Labour Adviser, we have a Labour Welfare Adviser—Mr. Nimbkar—we have eight Assistant Labour Welfare Advisers. We have appointed a statistician in our Department in order to collect all labour statistics and in addition to that we have a very large staff. In fact, a very considerable staff to deal with the technical training which I am sure is a matter of great benefit to labour in general.

An Honourable Member: A good case for scrutiny committee.

The Honourable Dr. B. R. Ambedkar: Then, Sir, with regard to the question of appointment of special officers, this is not a matter about which the Department is not aware of. As a matter of fact, we had made a beginning by appointing a special officer to report on sickness insurance. He was Professor Adharkar. It was our wish and our proposal was to go on appointing similar officers to deal with similar problems, to make reports and to suggest means and methods for carrying this proposal into legislation. But what happened was this. Last August when the Tripartite Conference met we placed before them the report for consideration. The Committee and the Tripartite Conference unanimously passed a resolution that the Government of India should also appoint a Committee to consider social welfare measures and also to suggest ways and means by which the principle of social security could be applied to working classes of India. To that report, I am glad to say, we immediately gave effect, and constituted a Committee which has now been working on that subject.

Obviously Sir, it would have been very wrong for the Department to have proceeded on appointing other officers to make report on separate subjects. We had to wait till the report of the Committee was placed before us. I can assure my Honourable friends that the project which we have of appointing special officers to make investigation into special problems is not abandoned, but will be taken up when the report of the Committee is made available to the Government. Sir, I think, that having regard to what I have stated on the point Mr. Joshi will admit that so far as the present machinery of the Government of India to deal with the labour problems is concerned, it cannot be said to be an inadequate machinery.

Mr. Jamnadas Mehta made certain comments on the Tripartite Labour Conference. He said that the Tripartite Labour Conference should be raised to the level of I. L. O. Mr. Joshi said that it should have a separate Secretariat and Mr. Mehta also suggested that the Member-in-charge of the Labour Department, who generally presides over the proceedings of the Conference, should divest himself of that authority. Mr. Mehta also said that the reports of the Committee should be placed before the Legislature for rectification. Sir, I sympathise very greatly with all that has been said by my Honourable friends, Mr. Mehta and Mr. Joshi. I would like to say this, as both of them are already aware, the procedure of the Committee is more or less a matter for the Conference itself to decide. This question whether the Conference should have a separate Secretariat was discussed at the very time when the Conference was inaugurated and I think I am right in saying that the Conference was unanimous in their decision that the time for having a separate Secretariat had not come. If the Conference hereafter changed its mind and decided to have a separate Secretariat, I have no doubt that the same will be considered sympathetically.

Sir, there is only one more point about which I would like to say one thing. If I am right in presuming, both Mr. Mehta and Mr. Joshi regarded the Tripartite Labour Conference as a matter of small moment and not of much value. Sir, I beg to differ from them because I think that the Tripartite Labour Conference performs so important a function that I think it is really impossible to

[Dr. B. R. Ambedkar.]

exaggerate its value. The point that I would like to make and ask the Members of the House to take particular note is this. If any one were to examine the agenda which has been placed before the Tripartite Labour Conference or the Standing Labour Committee, I think it would be admitted that the topics placed before them for consideration and discussion have been of the highest moment. I am speaking from recollection, but they have ranged from almost anything which could be regarded of great moment to the labour world. I would like to say this. Would it have been possible for the representatives of labour outside the Tripartite Conference to have approached any employer even to consider or to talk about those projects? I am sure about it that no employer in the present disorganised condition of Indian labour would pay a tuppenny worth of attention to the problems which might be brought before them by representatives of employees. I do claim credit for the Tripartite Labour Conference that if we have done nothing more, we have at least done one thing, namely, to induce, if not to compel, the representatives of employees to meet the representatives of employers and to discuss matters of the utmost and gravest importance. I think it is a great service that the Tripartite Conference is doing to the working classes of this country.

My Honourable friend, Mrs. Subbarayan, in her speech largely referred to the question of the introduction of women in coal mines. I do not grudge her the intensity of feeling which she said she has on a question of this character. But, Sir, I cannot go over the ground once again because the House will remember that this matter has already been discussed on an adjournment motion. I repeat again that I am indeed unhappy over the decision that we had to take, and I assure the House that I am taking every possible step in order to increase the labour force to be employed in the mines and in order to increase coal output so that I may be in a position to put the ban again at the earliest moment possible.

Shrimati K. Radha Bai Subbarayan: Sir, may I ask a question of the Honourable Member? Did Government consult the Tripartite Conference before issuing a notification about employment of women for underground work in mines?

The Honourable Dr. B. R. Ambedkar: I am afraid we had no time to do it. As I said it was an emergency and we had to meet it by a most emergent measure.

One point which I would like to mention is the point raised by her, namely, that the Government of India, instead of trying to remedy the grievances of labour, was engaged in imprisoning labour leaders. Well, Sir, that is not a matter with which I in my department specifically deal. We had a great deal of discussion yesterday. I have not seen either yesterday or to-day any specific illustration or instance given to me of any labour leader having been imprisoned by Government.

Seth Yusuf Abdoola Haroon: I just referred to a case in Karachi Port Trust.

Mr. Hooseinbhoy A. Lalljee: Is the Port Trust under you?

The Honourable Dr. B. R. Ambedkar: No?

Mr. Hooseinbhoy A. Lalljee: Railwaymen?

The Honourable Dr. B. R. Ambedkar: No.

Mr. Hooseinbhoy A. Lalljee: Seamen?

The Honourable Dr. B. R. Ambedkar: No.

Mr. Hooseinbhoy A. Lalljee: Then what else have you got?

The Honourable Dr. B. R. Ambedkar: There are very many other categories of labour. I was dealing with the question of imprisonment of labour leaders.

Shrimati K. Radha Bai Subbarayan: Was not Mr. Dange imprisoned?

The Honourable Dr. B. R. Ambedkar: I am just coming to that. Knowing the labour leaders as I do, the trouble I think is that labour leaders play more than one part.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

They are sometimes labour leaders, sometimes they are communists, sometimes they are national leaders, sometimes they are members of the Congress, and sometimes they are members of the Hindu Maha Sabha or of some other organisation.

An Honourable Member: All are to be tabooed!

The Honourable Dr. B. R. Ambedkar: It is very difficult to say that a labour leader who plays such a multiple part is imprisoned because he is a labour leader and not because he has acted in some other capacity—as a communist, as a member of the Congress, or as a member of the Hindu Maha Sabha. In fact, if I may say so with all humility, in my judgment, if labour leaders were to exclusively devote themselves to the labour cause and not to be instruments of political parties of other complexion or other character, or of other programmes, than they would be not only excluding themselves from the clutches of Rule 26, but they would be doing a great deal of service to labour itself. Unfortunately, we have not been able to get in this country labour leaders who are exclusively devoted to labour.

An Honourable Member: Mr. Joshi is there.

The Honourable Dr. B. R. Ambedkar: I do not know if there is any other matter which has been raised in the course of this debate to which I have not given a reply, or which calls for a reply. I think I may say that whatever may be said with regard to the Government of India in the matter of labour it can be legitimately claimed that there has been a new orientation with regard to the attitude of Government in respect of labour.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadan Rural): What is the policy behind it?

The Honourable Dr. B. R. Ambedkar: For the last half an hour I have been saying nothing else.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): May I seek one piece of information from the Honourable Member? How is it that the technicians after being trained at a centre do not get certificates after the training?

The Honourable Dr. B. R. Ambedkar: I will look into it.

Mr. N. M. Joshi: Sir, in the hope that this discussion will lead to increased activity and better activity on the part of the Labour Department, I ask leave to withdraw my cut motion.

The motion was, by leave of the Assembly, withdrawn.

DEMAND NO. 24.—DEPARTMENT OF POSTS AND AIR.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a sum not exceeding Rs. 1,10,000, be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Posts and Air'."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That a sum not exceeding Rs. 1,10,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of the 'Department of Posts and Air'."

Need for substantial Increase of Dearness Allowance.

Mr. Jamnadas M. Mehta: I beg to move:

"That the demand under the head 'Department of Posts and Air' be reduced by Rs. 100."

I have ventured to move this cut motion to emphasise the need for a substantial increase of dearness allowance.

Sir, the time at my disposal is very short, and as I say, the tale of my wrongs is very long. But I hope that the Government will be able to give me something concrete and definite in their reply, so that any division or acrimonious debate may be avoided. There is not much time either for that and I shall therefore confine my observations to saying a few broad things. Although I am confining my observations to the Posts and Air Department, they are applicable to all the employees of Government in the various departments. Sir, the highest dearness allowance in the Government service is that paid to the employees in Railways and yet that payment is so inadequate that only one-third of the needs of railway employee are today met; and the employees in other departments are served even worse. The misfortunes of the Postal

[Mr. Jamnadas M. Mehta.]

lower grade services in particular and also of the clerks are much greater than those of the railway workers. As I told you, Sir, the cost of living today has gone up, in spite of the attempts of the Government to control, on an average not less than 300 per cent. When I say 300 per cent., I must say that it means that where it was Rs. 100 before it is now Rs. 300. It does not mean that it is 400 now but this is the all in all cost. Individual items have gone up much higher. The prices of cloth, the price of food, the price of fuel, the prices of medical drugs—all these have gone up far in excess even of 200, sometimes of 300 per cent. and even 11 hundred per cent. in the case of quinine. The cost of education of the children has gone up very high. The cost of milk has also gone up three times in most places and milk which was a rarity and practically absent from the breakfast table of the poor of this country has now become conspicuous by its total absence.

Sir Muhammad Yamin Khan: No poor man has ever had milk.

Mr. Jamnadas M. Mehta: I say it is a rarity and it is now conspicuous by its absence, except where subsidised milk is supplied by the employer. I have asked the Railway Board to supply milk and vegetables. They are investigating; but in other departments, that investigation also is not there and therefore milk, which is an essential food for the babies, let alone the adults, is absolutely denied to this generation which is growing without milk since the last five years. What is the future for the race in which the younger generation is forced to live without this essential need for nutrition? And yet we talk of reconstruction after the war to build up a healthier generation. You have today the remedy, the opportunity in front of you, to allow your own employees to grow up as normal human beings but with a rise in the cost of living of 300 per cent., I ask my Honourable friend, Sir Gurnath Bewoor, whether he is giving to his employees to-day more than 30 per cent. by way of dearness allowance. He is giving practically one rupee where 10 rupees are required. The postmen have protested, have interviewed, they have demonstrated, led deputations times without number, in all towns and in all provinces. *(An Honourable Member: "But did not strike".)* They did not strike. I hope Dr. Ambedkar will take note of that fact and put in a word in their favour. At the last conference in Amritsar, they have become absolutely determined and they think that there is no hope under this Government. They have declared that if there is no adequate dearness allowance within a reasonable time, they must do something; even the worm will turn. That Resolution was passed unanimously at Amritsar as early as December, 1943. Since then, happily or unhappily, I have been elected President for the whole of India and the obligation has, therefore, become greater on my shoulders to plead their cause with as much vehemence as I can. I interviewed Mr. Shoober. He was good enough to give us a most sympathetic hearing. He went into all aspects of our case and then at last he said 'Yes, I am satisfied that you have got a good case. I was satisfied myself, before you came, that you have a good case and I have made a representation in proper quarters. I am only awaiting the result. I am not ready with my reply'. In his room there was I believe an exhortation on the wall to the following effect—In times of war, keep up your morale. I pointed out to him—was it possible to keep up morale without food, without clothing and without the necessities of life. Either remove this board from your room or give me at least food, shelter and clothing. When I said this, he felt rather embarrassed. That is where we stand now. I do not want to repeat the various arguments. I shall only tell the Finance Member that the report of the Dearness Allowance Committee, even if it is not published, was ready for his study and inspection as early as January and it is time that in these matters some kind of promptness were adopted. War is not the time for this sort of dilatoriness. War is a time for quick action and you are bound to give sufficient nutrition to these men who serve you day and night. You pocket 14 crores of rupees of profits from the Postal Department and don't give them one-third of the remuneration which

the barest minimum standard of life requires. I do not wish to put it higher than this—that the Government should now make up their mind. They have taken far too much time and a further instalment of substantial dearness allowance is overdue. Sir, I move.

Mr. President (The Honourable Sir Abdur Rahim): Cut motion moved: "That the demand under the head 'Department of Posts and Air' be reduced by Rs. 100."

Mr. N. M. Joshi: I rise to support this motion. Realising that the time at our disposal is very short and realising also that it is absolutely necessary that a Government representative should reply to the debate, I shall be very brief. Sir, I feel that the Government of India has neglected this problem too long. When the cost of living has been trebled and quadrupled, the dearness allowance which the Government of India gives and which they gave so tardily is very meagre. It does not meet in some cases the dearness equal to even one-half or one-quarter and in some cases it meets dearness in less than that proportion. It is not right for the Government of India or for any person to expect from the poorest classes of Government employees to make any sacrifice during the war. Some of these people get less than what is necessary for proper maintenance. Their standard of life is really sub-standard and it is wrong to expect these people to make any sacrifice even for a war.

The other day the Honourable the Finance Member told me that it is people like me who plead for sectional interests who are responsible for inflation. That is not so. I do not plead the interests of any sectional people; I plead the interests of those people who do not get sufficient living. If you pay a man sufficient living, by all means ask him to make sacrifices for the country and he should also make sacrifices in order that there may be no inflation. But if you are not paying even sufficient for their maintenance, it is wrong of you to ask them to make any sacrifices and it is wrong of you to ask them to make any sacrifices to prevent inflation. I, therefore, feel that the Government of India at least in the case of those people who get less than what is necessary for a minimum standard of life, say, those people who get less than Rs. 30, should not ask them to make any sacrifice. In their case at least, full increase in the cost of living should be compensated for. Similarly, in the case of those who get a little more than Rs. 30 but less than Rs. 50 or Rs. 60, at least 75 per cent. of their cost of living should be met. Similarly, those people who get more than Rs. 50 but less than Rs. 100, at least half of the increased cost of living should be compensated. I feel that the Government of India will be quite wrong in expecting people who do not get enough to eat to make any sacrifices. Let me tell the Government of India that in the case of a Department like the Postal Department and even other Departments, on account of the fact that you do not pay sufficient dearness allowance to your employees, the efficiency of your Departments has begun to suffer. Everybody will admit that the efficiency of the Postal Department, which was once a very efficient Department, let me say very frankly, has suffered. Today we do not get our letters promptly; letters are delivered wrongly; but the Government of India is unable to do anything. They do not get sufficient staff. The Government of India cannot even dismiss people when they find that the staff is inefficient. This is all due to the fact that the men in the Postal Department and even in the other Departments are not paid well. The Government service has ceased to become attractive and the efficiency has suffered. I, therefore, feel not only out of a sense of humanity but for the sake of the efficiency of the Departments that the Government of India should pay an adequate dearness allowance to their employees.

Dr. Sir Zia Uddin Ahmad: What is meant by "adequate"?

Mr. N. M. Joshi: To neutralise the whole increased cost of living in the case of the lowest paid staff, at least in the case of those who get less than Rs. 30. I hope, Sir, the Government of India will accept our suggestion.

Dr. Sir Zia Uddin Ahmad: Sir, I only want to make one remark. I would have very much liked if Mr. Joshi had defined what an adequate dearness allowance is. I always say that an adequate allowance in terms of rupees has

[Dr. Sir Zia Uddin Ahmad.]
to be expressed by what I call as a kind of wage unit. Therefore, really speaking, the dearness allowance should be the wage unit *minus* the purchasing power of the rupee. This ought to be the adequate dearness allowance and I think the Government of India ought to be prepared to give this dearness allowance whatever it may come to. I think I can tell even the exact figure. At present the value of a rupee in terms of the wage unit is about 4 annas. Therefore, the dearness allowance will be 12 annas in a rupee, which means 300 per cent., wage unit *minus* the purchasing power.

The Honourable Sir Jeremy Raisman: Does the Honourable Member mean that Government salaries should be adjusted on that basis?

Dr. Sir Zia Uddin Ahmad: That is not the question before the Assembly. We are considering now the dearness allowance to the low paid staff and I have defined what the adequate dearness allowance should be.

Sir Gurunath Bewoor (Secretary, Posts and Air Department): Sir, I was rather wondering why my friend, Mr. Jamnadas Mehta, had selected the Posts and Air Department, which has a modest demand of Rs. 1,10,000 for this cut for an increased dearness allowance when he had intended that the dearness allowance should be revised for all Central Government servants. If he wanted the Posts and Telegraphs Department staff to be considered, the more proper demand for a cut was Demand No. 10, under which there is, I believe, a demand of something like 16 crores. However, I find myself in very great sympathy with what Mr. Jamnadas Mehta and Mr. Joshi have said in the course of their observations and therefore I have not really very much to say in criticism of their observations. I have been myself the head of a department for a number of years and I fully appreciate the difficulties which the employees of a department feel in times when prices are rising. It is the duty of the head of a department to press the claims of his staff and to secure for them reasonable conditions of service. And I claim that the Heads of departments of Government have not been behindhand in pressing the claims of the staff and in getting them reasonable allowances as the cost of living began to go up as a result of the war. When the war began, the prices started going up early in 1940 and the first step we took was to decide that Central Government servants should get the same rates of dearness allowance as the Provincial Governments may declare to be applicable to their own servants in those areas. The idea was that the Provincial Governments were in the best position to know what the conditions of living were in any particular area. We thought that this would be a good solution. Unfortunately, however, a little experience showed us that certain Provincial Governments, though they recognised the existence of the high cost of living, were unable to give the relief due to their own financial position. Therefore, after a little time, the Central Government decided that they must embark upon their own scheme of dearness allowance.

Now, I wish to inform Mr. Jamnadas Mehta that the Central Government have always had under consideration the question of granting dearness allowance and of revising it from time to time. I admit that according to him it has been an inadequate one, but I may tell him that the first time these dearness allowances were fixed was on the 1st August, 1942. At that time—I will just take the cities of Bombay and Calcutta, for example—the pay limit was fixed up to Rs. 100, and the maximum rates of allowances were Rs. 6 for those drawing up to Rs. 40 and Rs. 9 for those drawing above Rs. 40 only after four months the rate was revised. The pay limit was increased to Rs. 120 and the rates of allowance were increased, in the case of those drawing below Rs. 40 from Rs. 6 to Rs. 9 and in the case of those above Rs. 40 from Rs. 9 to Rs. 10. Again, from 1st June, 1943, these rates were again revised, the pay limits were increased to Rs. 150 and the allowances were increased for those drawing below Rs. 40 from Rs. 9 to Rs. 13 and for those drawing above Rs. 40 from Rs. 10 to Rs. 14. Now, Sir, why I am mentioning all this is to show that Government have not been indifferent in this matter and that since they introduced a uniform rate for the whole of India, the rates have increased from Rs. 6 to Rs. 13 in the case of

those drawing below Rs. 40 and from Rs. 9 to Rs. 14 in the case of those drawing above Rs. 40 and the pay limits have been increased from Rs. 100 to Rs. 150.

Mr. Jamnadas M. Mehta: What about the future?

Sir Gurunath Bewoor: The point that the Government of India have always had in mind was this. They recognised that the cost of living had gone up. I will not say whether it had gone up by 200 per cent. or 300 per cent. or 500 per cent. or 1,100 per cent. My Honourable friend, Mr. Jamnadas Mehta, has recently been on a committee and he is now in the best position to say himself. I think he recognises the practical difficulties of saying exactly by how much the cost of living has gone up, also the difficulties of relating any rates of dearness allowance to the increase in the cost of living for a country of the size of India and for different—I will not say standards of living, but I would say—classes of employees. A mere increase in the amount of money allowances, we felt did not necessarily mean a relief which we really wanted our employees to get. Therefore, *pari passu* with the increase in the allowances, we have done all we could for the staff, to give them supplies of grain. I admit that here we have not been able to do what the Railways have been able to do, but the Posts and Telegraphs Department have been faced with real practical difficulties; unlike railways we have not got our own transport, nor have we got all our staff living along our own lines of communication. But wherever we could, we have opened our own grain shops and where we could not do this, we have advanced money free of interest to co-operative shops to pay and sell grain and other necessities of life to our staff. But what we were anxious was to prevent a mere increase in the allowances in cash which would merely amount to a vicious spiral. Apart from what has been done departmentally, the House is aware from the discussions which have taken place in this House of the efforts that are being made by Government to bring down the cost of living as a whole to the whole of the civil population of India. We hope that all these efforts will be successful and that the cost of living will be brought down, but having said this, I still recognise that there is a case for improvement in the rates of dearness allowance. We recognise that the staff has been very reasonable and we owe a debt of gratitude to the leaders of our staff who have been very reasonable and who have been discussing the difficulties of the staff with the higher officers. I am now authorised to announce that Government have taken into consideration the existing state of prices and have decided to further raise the rates of dearness allowance. These rates of dearness allowance will be applicable as from 1st March, that is to say, they will apply for the pay drawn on 1st April for the month of March. The scheme will be just as it is at present, that is to say, the areas in India will be divided into A, B and C classes.

"A" class: The present rate for those drawing below Rs. 40 is Rs. 11 and this will be raised to Rs. 14. For those drawing between Rs. 40 and Rs. 150, it is now Rs. 14 and this will be raised to Rs. 18 and the pay limit will be increased to Rs. 250. That is to say, those drawing between Rs. 40 and Rs. 250 will draw a dearness allowance of Rs. 18.

"B" class: These are generally big cities apart from Bombay and Calcutta. The present rates for the same classes are Rs. 8-8-0 and Rs. 11 and these will be raised to Rs. 11 and Rs. 14 respectively and the upper pay limit of Rs. 125 will be raised to Rs. 200.

"C" class: The allowances are Rs. 6-8-0 and Rs. 9 and these will be raised to Rs. 9 and Rs. 12, and the upper pay limit which is Rs. 90 will be raised to Rs. 150.

Dr. Sir Zia Uddin Ahmad: Is it only in the Post and Telegraph offices or in all the Departments of the Government of India?

Sir Gurunath Bewoor: This applies to all employees of the Central Government wherever employed within India. In the case of Post and Telegraph Department, there is, besides, a special concession given in that those drawing below Rs. 40 are given an additional dearness allowance of Rs. 2. This is called good conduct pay. I hope, Sir, the House will recognise that Government are fully sympathetic to the difficulties of their employees particularly those who

[Sir Gurunath Bewoor]

draw small pay and I hope that in view of these considerations the Honourable Member will withdraw his cut motion.

Mr. Jamnadas M. Mehta: Sir, I am thankful to Government for announcing these concessions which they have done. It is not possible to assess the full effect of this announcement, but it seems to be fairly generous. In anticipation of a closer examination, I beg leave of the House to withdraw my motion.

The motion was, by leave of the Assembly, withdrawn.

DEMAND No. 1—CUSTOMS.

The Honourable Sir Jeremy Raisman: Sir, I move:

"That a sum not exceeding Rs. 82,41,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Customs'."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 82,41,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Customs'."

The motion was adopted.

(It being Five of the Clock.)

DEMAND No. 2—CENTRAL EXCISE DUTIES.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 61,52,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Central Excise Duties'."

The motion was adopted.

DEMAND No. 3—TAXES ON INCOME INCLUDING CORPORATION TAX.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 98,19,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Taxes on Income including Corporation Tax'."

The motion was adopted.

DEMAND No. 4—SALT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 94,73,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Salt'."

The motion was adopted.

DEMAND No. 5—OPIMUM.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,24,08,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Opium'."

The motion was adopted.

DEMAND No. 6—PROVINCIAL EXCISE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Provincial Excise'."

The motion was adopted.

DEMAND No. 7—STAMPS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 38,38,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Stamps'."

The motion was adopted.

DEMAND No. 8—FOREST.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 11,02,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Forest'."

The motion was adopted.

DEMAND No. 9—IRRIGATION (INCLUDING WORKING EXPENSES), NAVIGATION, EMBANKMENT AND DRAINAGE WORKS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 6,04,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Irrigation (Including Working Expenses), Navigation, Embankment and Drainage Works'."

The motion was adopted.

DEMAND No. 10—INDIAN POSTS AND TELEGRAPHS DEPARTMENT (INCLUDING WORKING EXPENSES).

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 15,43,28,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Indian Posts and Telegraphs Department (Including Working Expenses)'."

The motion was adopted.

DEMAND No. 11—INTEREST ON DEBT AND OTHER OBLIGATIONS AND REDUCTION OR AVOIDANCE OF DEBT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,81,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Interest on Debt and other obligations and Reduction or Avoidance of Debt'."

The motion was adopted.

DEMAND No. 12—EXECUTIVE COUNCIL.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a reduced sum not exceeding one rupee be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Executive Council'."

The motion was adopted.

DEMAND No. 13—COUNCIL OF STATE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,08,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Council of State'."

The motion was adopted.

DEMAND No. 14.—LEGISLATIVE ASSEMBLY AND LEGISLATIVE ASSEMBLY DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 6,36,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Legislative Assembly and Legislative Assembly Department'."

The motion was adopted.

DEMAND No. 15—HOME DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a reduced sum not exceeding Rs. 6,71,900 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Home Department'."

The motion was adopted.

DEMAND No. 16—DEPARTMENT OF INDUSTRIES AND CIVIL SUPPLIES.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 15,65,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Industries and Civil Supplies'."

The motion was adopted.

DEMAND No. 17—DEPARTMENT OF INFORMATION AND BROADCASTING.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 22,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Information and Broadcasting'."

The motion was adopted.

DEMAND NO. 18—LEGISLATIVE DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 5,90,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Legislative Department'."

The motion was adopted.

DEMAND NO. 19—DEPARTMENT OF EDUCATION, HEALTH AND LANDS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 8,28,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Education, Health and Lands'."

The motion was adopted.

DEMAND NO. 20—DEPARTMENT OF INDIANS OVERSEAS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,43,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Indians Overseas'."

The motion was adopted.

DEMAND NO. 21—FINANCE DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a reduced sum not exceeding Rs. 8,48,999 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Finance Department'."

The motion was adopted.

DEMAND NO. 22—COMMERCE DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 16,87,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Commerce Department'."

The motion was adopted.

DEMAND NO. 23—DEPARTMENT OF LABOUR.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 17,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Labour'."

The motion was adopted.

DEMAND NO. 24—DEPARTMENT OF POSTS AND AIR.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,10,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Department of Posts and Air'."

The motion was adopted.

DEMAND NO. 25—WAR TRANSPORT DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 7,70,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'War Transport Department'."

The motion was adopted.

DEMAND NO. 26—FOOD DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 21,33,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Food Department'."

The motion was adopted.

DEMAND NO. 27—CENTRAL BOARD OF REVENUE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 11,41,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Central Board of Revenue'."

The motion was adopted.

THE GENERAL BUDGET—LIST OF DEMANDS

DEMAND NO. 28—INDIA OFFICE AND HIGH COMMISSIONER'S ESTABLISHMENT CHARGES.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 20,12,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'India Office and High Commissioner's Establishment Charges'."

The motion was adopted.

DEMAND NO. 29—PAYMENTS TO OTHER GOVERNMENTS, DEPARTMENTS ETC., ON ACCOUNT OF THE ADMINISTRATION OF AGENCY SUBJECTS AND MANAGEMENT OF TREASURIES.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 97,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Payments to other Governments, Departments, etc., on Account of the Administration of Agency Subjects and Management of Treasuries'."

The motion was adopted.

DEMAND NO. 30—AUDIT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 96,75,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Audit'."

The motion was adopted.

DEMAND NO. 31—ADMINISTRATION OF JUSTICE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 3,02,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Administration of Justice'."

The motion was adopted.

DEMAND NO. 32—JAILS AND CONVICT SETTLEMENTS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Jails and Convict Settlements'."

The motion was adopted.

DEMAND NO. 33—POLICE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,15,93,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Police'."

The motion was adopted.

DEMAND NO. 34—PORTS AND PILOTAGE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 19,02,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Ports and Pilotage'."

The motion was adopted.

DEMAND NO. 35—LIGHTHOUSES AND LIGHTSHIPS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 7,59,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Lighthouses and Lightships'."

The motion was adopted.

DEMAND NO. 36—SURVEY OF INDIA.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Survey of India'."

The motion was adopted.

DEMAND No. 37—BOTANICAL SURVEY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 97,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Botanical Survey'." The motion was adopted.

DEMAND No. 38—ZOOLOGICAL SURVEY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 1,76,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Zoological Survey'." The motion was adopted.

DEMAND No. 39—GEOLOGICAL SURVEY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 38,14,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Geological Survey'." The motion was adopted.

DEMAND No. 40—MINES.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 2,71,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Mines'." The motion was adopted.

DEMAND No. 41—ARCHÆOLOGY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 10,85,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Archæology'." The motion was adopted.

DEMAND No. 42—METEOROLOGY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 26,39,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Meteorology'." The motion was adopted.

DEMAND No. 43—OTHER SCIENTIFIC DEPARTMENTS.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 7,54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Other Scientific Departments'." The motion was adopted.

DEMAND No. 44—EDUCATION.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 17,76,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Education'." The motion was adopted.

DEMAND No. 45—MEDICAL SERVICES.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 15,93,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Medical Services'." The motion was adopted.

DEMAND No. 46—PUBLIC HEALTH.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 16,79,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Public Health'." The motion was adopted.

DEMAND No. 47—AGRICULTURE.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 28,53,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Agriculture'." The motion was adopted.

DEMAND No. 48—IMPERIAL COUNCIL OF AGRICULTURAL RESEARCH.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 13,42,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Imperial Council of Agricultural Research'." The motion was adopted.

DEMAND No. 49—AGRICULTURAL MARKETING.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 4,15,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Agricultural Marketing'." The motion was adopted.

DEMAND No. 50—IMPERIAL INSTITUTE OF SUGAR TECHNOLOGY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Imperial Institute of Sugar Technology'." The motion was adopted.

DEMAND No. 51—CIVIL VETERINARY SERVICES.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 12,47,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Civil Veterinary Services'." The motion was adopted.

DEMAND No. 52—INDUSTRIES.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 9,68,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Industries'." The motion was adopted.

DEMAND No. 53—SCIENTIFIC AND INDUSTRIAL RESEARCH.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 23,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Scientific and Industrial Research'." The motion was adopted.

DEMAND No. 54—AVIATION.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 52,15,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Aviation'." The motion was adopted.

DEMAND No. 55—CAPITAL OUTLAY ON CIVIL AVIATION MET FROM REVENUE.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Capital Outlay on Civil Aviation met from Revenue'." The motion was adopted.

DEMAND No. 56—BROADCASTING.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 56,03,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Broadcasting'." The motion was adopted.

DEMAND No. 57—CAPITAL OUTLAY ON BROADCASTING MET FROM REVENUE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Capital Outlay on Broadcasting met from Revenue'."

The motion was adopted.

DEMAND No. 58—EMIGRATION—INTERNAL.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 18,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Emigration—Internal'."

The motion was adopted.

DEMAND No. 59—EMIGRATION—EXTERNAL.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,57,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Emigration—External'."

The motion was adopted.

DEMAND No. 60—COMMERCIAL INTELLIGENCE AND STATISTICS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 9,72,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Commercial Intelligence and Statistics'."

The motion was adopted.

DEMAND No. 61—CENSUS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 3,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Census'."

The motion was adopted.

DEMAND No. 62—JOINT STOCK COMPANIES.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,21,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Joint Stock Companies'."

The motion was adopted.

DEMAND No. 63—IMPERIAL DAIRY DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 3,77,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Imperial Dairy Department'."

The motion was adopted.

DEMAND No. 64—MISCELLANEOUS DEPARTMENTS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 17,37,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Miscellaneous Departments'."

The motion was adopted.

DEMAND No. 65—CURRENCY.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,00,82,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Currency'."

The motion was adopted.

DEMAND No. 66—MINT.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,28,29,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Mint'."

The motion was adopted.

DEMAND No. 67—CIVIL WORKS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,20,21,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Civil Works'."

The motion was adopted.

DEMAND No. 68—CENTRAL ROAD FUND.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,02,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Central Road Fund'."

The motion was adopted.

DEMAND No. 69—SUPERANNUATION ALLOWANCES AND PENSIONS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,24,66,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Superannuation Allowances and Pensions'."

The motion was adopted.

DEMAND No. 70—STATIONERY AND PRINTING.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,07,54,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Stationery and Printing'."

The motion was adopted.

DEMAND No. 71—MISCELLANEOUS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 2,81,01,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Miscellaneous'."

The motion was adopted.

DEMAND No. 72—GRANTS-IN-AID TO PROVINCIAL GOVERNMENTS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 1,75,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Grants-in-Aid to Provincial Governments'."

The motion was adopted.

DEMAND No. 73—MISCELLANEOUS ADJUSTMENTS BETWEEN THE CENTRAL AND PROVINCIAL GOVERNMENTS.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 78,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Miscellaneous Adjustments between the Central and Provincial Governments'."

The motion was adopted.

DEMAND No. 74—CIVIL DEFENCE.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 3,43,76,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Civil Defence'."

The motion was adopted.

DEMAND No. 75—DELHI.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 74,60,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Delhi'."

The motion was adopted.

DEMAND No. 76—AJMER-MERWARA.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That a sum not exceeding Rs. 27,95,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Ajmer-Merwara'."

The motion was adopted.

DEMAND No. 77—PANTH PIPLODA.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 15,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Panth Piploda'." The motion was adopted.

DEMAND No. 78—INDIAN POSTS AND TELEGRAPHS (NOT MET FROM REVENUE).

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 3,13,00,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Indian Posts and Telegraphs (Not met from Revenue)'." The motion was adopted.

DEMAND No. 79—INDIAN POSTS AND TELEGRAPHS—STORES SUSPENSE (NOT MET FROM REVENUE).

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Indian Posts and Telegraphs—Stores Suspense (Not met from Revenue)'." The motion was adopted.

DEMAND No. 80—DELHI CAPITAL OUTLAY.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 8,27,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Delhi Capital Outlay'." The motion was adopted.

DEMAND No. 81—COMMUTED VALUE OF PENSIONS.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 1,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Commuted value of pensions'." The motion was adopted.

DEMAND No. 82—INTEREST-FREE ADVANCES.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 3,80,99,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Interest-Free Advances'." The motion was adopted.

DEMAND No. 83—LOANS AND ADVANCES BEARING INTEREST.

Mr. President (The Honourable Sir Abdur Rahim): The question is: "That a sum not exceeding Rs. 4,79,74,000 be granted to the Governor General in Council to defray the charges which will come in course of payment during the year ending the 31st day of March, 1945, in respect of 'Loans and Advances bearing Interest'." The motion was adopted.

The Assembly then adjourned till Eleven of the Clock on Friday, the 17th March, 1944.

LEGISLATIVE ASSEMBLY.

Friday, 17th March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBERS SWORN:

Mr. Zabid Husain, C.I.E., M.L.A. (Government of India: Nominated Official):
Mr. Harry Greenfield, C.I.E., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

TOUR OF PROFESSOR A. V. HILL OF ROYAL SOCIETY.

477. *Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state if it is a fact that Professor A. V. Hill, Secretary of the Royal Society, has been invited by the Government of India to tour round India? If so, when was he invited?

(b) Was the necessity for such a tour felt after the outbreak of war or even before that?

(c) What is the estimate of expense for such a tour?

(d) Is he asked to submit a report of his tour before he leaves the shores of India? If not, why not?

(e) If a report is submitted by him, would it be placed on the table at the earliest opportunity?

Mr. J. D. Tyson: (a) Yes; in August 1943.

(b) The proposal originated in 1943.

(c) About Rs. 17,000.

(d) and (e). Professor Hill was not asked to submit a report: the preparation of a formal report would have required much more time than was available. The purpose of inviting him to India was rather to promote informal contacts and discussions, from which arrangements for wider co-operation and plans for further developments might be expected to result. Professor Hill, however, has himself suggested that after returning to the United Kingdom he should write a short report embodying a number of observations, comments and suggestions which have arisen from his many visits and discussions in India.

FORMATION OF ROYAL SOCIETY IN INDIA.

478. *Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state if the Government of India are prepared to encourage the idea of "Formation of a Royal Society in India"?

(b) Are the Government of India prepared to grant a decent subsidy to such an association, if formed?

(c) Do the Government of India realise that Scientific Research in India is in its infancy and requires State aid to be on par with many a civilised country?

(d) Are Government aware that Scientific Research in other countries contributed a great deal to the national welfare of those countries?

Mr. J. D. Tyson: (a) The Government of India recognise that the existence of a national scientific society, occupying the same position in India as the Royal Society of London and the National Academy of Science at Washington in their respective countries, is desirable. The matter is being considered.

(b) If and when a national scientific society on the lines of the Royal Society is recognised in India the question of financial assistance from Government will be considered.

at the end of the war. The prices quoted by the firm were found to be far in excess of the pre-war prices and far in excess of what may be the prices at the end of the war and the Government, therefore, felt after consultation with some consumers of news-print that they were unable to give such an assurance to the firms.

Pandit Lakshmi Kanta Maitra: What is the quantity of the hand-made paper so far purchased by the Government of India.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I should like to have notice of that.

BINDERS IN GOVERNMENT OF INDIA PRESS, NEW DELHI.

481. *Qazi Muhammad Ahmad Kazmi: Will the Honourable the Labour Member be pleased to state:

(a) whether it is a fact that some binders in the Government of India Press, New Delhi, were appointed after trial in the year 1935, and were confirmed in 1936;

(b) whether some more binders were appointed in 1936 and 1937, and were confirmed after 1937;

(c) whether it is a fact that men referred to in (b) above have been allowed to supersede the men shown in part (a); if so, why; and

(d) if the answers to (a) and (b) are in the affirmative, whether the Honourable Member has considered the advisability of getting their cases examined and giving them the necessary relief?

The Honourable Dr. B. R. Ambedkar: (a) and (b). Yes.

(c) Only one binder recruited in 1937 was declared senior to certain binders recruited earlier. This was done solely on the ground of merit.

(d) Does not arise in view of the reply to (c) above.

COLOUR PREJUDICE IN THE UNION OF SOUTH AFRICA AS REGARDS MUNICIPAL FRANCHISE OF INDIANS.

482. *Mr. Lalchand Navalrai: (a) Is the Honourable Member for Indians Overseas aware that in December, 1943, a white Mayor in the Union of South Africa protested that he was not prepared to sit with any Indian in the Municipality?

(b) Is it a fact that the Minister of the Interior made a speech (as reported by Reuters) stating that Municipal franchise was granted to Indians with property and educational qualifications on communal basis?

(c) Did the Buksburg Town Council decide unanimously to draw the attention of the Transvaal Municipal Association to the speech made at Pietermaritzburg by the Minister of the Interior to the effect stated in (a) above?

(d) What was the notice taken of the protest of the Mayor Mr. P. A. Venter?

(e) Did the Mayor and his European colleagues sit with the Indian Members in the deliberations of the Municipal affairs or not? If not, what was the consequence?

(f) Did the Honourable Member and the Government of India or the British Government take any notice of this incident and take any steps? If so, what and if not, why not?

The Honourable Dr. N. B. Khare: (a) and (c). Government have seen press reports to that effect.

(b) What Mr. Clarkson, the Minister for the Interior, is reported to have said was that in his personal opinion franchise should be granted to Indians on a communal basis with educational and property qualifications in municipal councils, provincial councils and the Union Parliament.

(d) I presume that the Honourable Member refers to notice taken by the Government of the Union of South Africa. If so, the Government of India have no information.

(e) I would point out for the Honourable Member's information that Indians do not have municipal franchise in the Transvaal and that Indians are

not eligible for being members of municipal councils in the Transvaal. The question, therefore, does not arise.

(f) The Government of India have no information whether the British Government took any notice of this incident. The Government of India do not feel called upon to take any action every time an individual chooses to voice his personal views.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether it is not adding an insult to the injury that the British Government should not take any notice of it and the Honourable Member should not also enquire into it and ask the British Government what steps have been taken?

The Honourable Dr. N. B. Khare: There are die-hards in every country giving vent to their personal feelings and it is hardly worth our while forwarding protests and yet more protests to the Governments of their countries. This is only one of the many instances of anti-Indian utterances by South African Europeans and what action we can take to deal with this general question is under our active consideration.

Mr. Lalchand Navalrai: The Honourable Member is also playing the same role of die-hard here.

Mr. President (The Honourable Sir Abdur Rahim): Order, order.

Dr. P. N. Banerjee: He is not a die-hard here.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

Dr. Sir Zia Uddin Ahmad: Have the Government of India devised any methods here to meet this diehardism?

Mr. President (The Honourable Sir Abdur Rahim): Next question.

CAPTAIN A. W. T. WEBB OF INDIANS OVERSEAS DEPARTMENT.

483. *Mr. K. S. Gupta: (a) Will the Honourable Member for Indians Overseas please state if there is an officer by name Captain A. W. T. Webb in the Indians Overseas Department?

(b) To what country and to what nationality does he belong?

(c) What is his salary and overseas allowance?

(d) Is he on special duty? If so, what is the nature of special duty?

(e) How many days does he tour in a month? Does he travel in a saloon? What is the average travelling allowance bill per month since the date of his appointment?

The Honourable Dr. N. B. Khare: (a) Yes.

(b) United Kingdom, British nationality. Settled in the Union of South Africa in 1925.

(c) Rs. 1,600 a month but no overseas allowance.

(d) Yes. Capt. Webb deals with work relating to evacuees of European, British and Allied nationality. He is also in charge of the Bureau set up for finding employment for Indian evacuees.

(e) He does not travel every month nor does he travel in a saloon. His average travelling allowance per mensem since the date of his appointment is Rs. 381.

Mr. Govind V. Deshmukh: May I know whether it was necessary to import this expert and nobody in India could be found to do this work?

The Honourable Dr. N. B. Khare: He is not imported, Sir.

Sir Muhammad Yamin Khan: I understood the Honourable Member to say that the gentleman settled down in South Africa in 1925. That means that he has taken up the naturalisation certificate of that Government. Then what was the idea of giving a man from South Africa a job under the Government of India of such a responsibility when the Honourable Member knows the views of this House on the reciprocity question?

The Honourable Dr. N. B. Khare: He was born of British parents in Bikaner which is in India.

Sir Muhammad Yamin Khan: It does not matter. He may have been born here, but the Honourable Member said that he had settled down in South Africa. So he is a national of South Africa.

(c) Scientific research in India is certainly not "in its infancy": the developments of the last 25 years have in fact been very substantial. Government recognise the importance of assisting scientific research and are doing so on an increasing scale as the Budget before the House indicates.

(d) Yes, certainly.

Dr. Sir Zia Uddin Ahmad: Will the Honourable Member please state whether the Society contemplated in the reply will be different from the two scientific societies of a rival character in England?

Mr. J. D. Tyson: That I cannot say.

Dr. Sir Zia Uddin Ahmad: Does he contemplate to start a new Society or will he accept one of the two existing societies?

Mr. J. D. Tyson: I have nothing to add.

DESIRABILITY OF IMPROVING SERVICE CONDITIONS OF INDIAN NURSES.

479. *Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state if he is aware that nursing profession has failed to appeal to the right type of women in India?

(b) Are Government aware that trained Indian nurses are regarded, paid and housed, as menials?

(c) Do the Government of India expect large numbers of Indian ladies to come forward to dedicate themselves to this work?

(d) Is the formation of an All-India Nursing Council necessary for the betterment of Nursing profession?

(e) Have the Government of India noted the words of Lady Wavell "The shortage of trained nurses in India is a problem, that all who care for the well-being of the people in this vast country must view with grave concern"?

(f) Is it not a fact that in India there is hardly a trained nurse for every 50,000 of the population and one to 374 in England?

(g) Is it not a fact that the figures in (f) show a deplorable state of affairs in India?

(h) What are the proposals to improve the condition of service?

Mr. J. D. Tyson: (a) Government have seen statements to that effect.

(b) and (c). Conditions of service are not uniform throughout the country and there is undoubtedly scope for improvement in most institutions.

(d) The formation of an All India Nursing Council is in contemplation.

(e), (f) and (g). Yes.

(h) The Provincial Governments are concerned with the improvement of the conditions of service of nurses in Provincial Government hospitals. As regards the Central Government hospitals, the scales of pay for nurses in one important hospital have recently been revised.

Dr. Sir Zia Uddin Ahmad: What is the scale of pay for nurses?

Mr. J. D. Tyson: In that particular hospital the scale of pay is Rs. 150 rising by Rs. 10 to Rs. 200.

Mr. T. S. Avinashilingam Chettiar: Is it not a fact that there is a general scale of pay for nurses throughout the provinces, or are there different scales of pay in different provinces?

Mr. J. D. Tyson: No, Sir, there are different scales of pay for nurses in different provinces.

Dr. Sir Zia Uddin Ahmad: Will the Government of India impress upon the Provincial Governments that they should accept the same scales of pay as have been adopted by the Central Government?

Mr. J. D. Tyson: No, Sir, it is an entirely a provincial matter.

HAND-MADE PAPER INDUSTRY.

480. *Mr. K. S. Gupta: (a) Is the Honourable Member for Industries and Civil Supplies aware of the scarcity of paper in India? If so, what is the method by which Government propose to make up the deficit?

(b) Is it not a fact that the price of paper has risen several times the pre-war price, and in certain places the price is so prohibitive that it has caused a lot of inconvenience to the educated public and a great hardship to the poor?

STARRED QUESTIONS AND ANSWERS

(c) Have Government a well-laid plan on an all-India basis for a hand-made paper industry? If not, why not?

(d) Are Government aware that there are several trained young men in the art of making hand-made paper? If so, are they prepared to make use of the talent which is being wasted by non-use?

(e) Are the Government of India aware that the hand-made paper industry is thriving in Gandhi Ashram at Wardha?

(f) Do they propose to send the Government paper expert to Wardha and see if the industry can be made a nucleus for an all-India concern?

(g) Are the Government of India aware that the joint Registrar of Co-operative Societies, Madras, is urging the importance of starting a hand-made paper unit on a co-operative basis at Chicacole?

(h) Do Government realise that hand-made paper industry would bring in an additional income to the poor and destitute villagers in India? If so, why do they not encourage the industry by subsidies and grants?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes. Methods by which it is proposed to make up the deficit in the supply of paper are (i) control over distribution, (ii) increase in production, (iii) economy in consumption, and (iv) increase in imports.

(b) Government are aware that there has been considerable increase in the prices of certain varieties of paper.

(c) Yes, Government have a definite plan to assist hand-made paper industry on an all-India basis.

(d) No. Government cannot make use of such trained people themselves, as they do not intend to establish Government production of hand made paper.

(e) Government are aware that hand-made paper is made at Wardha.

(f) No. The Paper Production Commissioner has always been willing to give any assistance that is asked of him by any paper manufacturer.

(g) No.

(h) Yes, only so long as paper prices owing to shortage of supplies continue to be as high as they are today. Provincial Governments who are primarily concerned with the development of such industries are giving all necessary direct encouragement and assistance.

Mr. T. S. Avinashilingam Chettiar: With regard to (c) may I know something about the plan to assist the hand-made paper industry?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Among other things, I think, the plan provides for the purchase of hand-made paper that may be offered for sale by the Government at the price prevailing in the market?

Mr. T. S. Avinashilingam Chettiar: I wanted to know whether the Government will render any assistance to the industry?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes Sir, if the industry applies for it.

Dr. Sir Zia Uddin Ahmad: Is the paper supplied to the Provincial Governments according to the quota fixed by the Central Government or do the Provincial Governments sent their own quota and they get the paper accordingly?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It is contemplated that a quota will be fixed for the provinces and distribution will be made by them.

Pandit Lakshmi Kanta Maitra: May I know what is the quantity of hand-made paper today?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I am afraid I am not in a position to give that information.

Sir Henry Richardson: Is it a fact that the paper known as news-print is not manufactured in this country at all?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes Sir, that is so. Some firms sometimes back came forward with a proposal for the manufacture of newsprint paper on an assurance being given by the Government as regards the prices at which they will be allowed to sell the paper

The Honourable Dr. N. B. Khare: I think he is amphibious.

Mr. Govind V. Deshmukh: Has he no nationality?

The Honourable Dr. N. B. Khare: British nationality.

Pandit Lakshmi Kanta Maitra: When was he appointed actually?

The Honourable Dr. N. B. Khare: I think he is serving in India for a long time.

Pandit Lakshmi Kanta Maitra: For how long?

The Honourable Dr. N. B. Khare: He came to India as a subaltern in 1909. I am giving his life history. He joined the Bombay Political Department in 1911. He served in World War No. I and was mentioned in despatches. Due directly to war services he was invalided and placed on a small disability pension. After nearly three years in hospitals, he went to South Africa for health reasons. He returned to India in 1934. During the Census of 1940-41 he was the Superintendent, Census Operations in Rajputana and Ajmer-Merwara. In December 1941, he was appointed as an officer on special duty in the Home Department to deal exclusively with questions arising out of the evacuation to India of refugees of British and allied nationality. When the portfolio of Indians Overseas was transferred to the Indian Overseas Department, naturally he was transferred from the Home to this Department for doing the same work.

Sardar Sant Singh: Is he on a contract basis?

The Honourable Dr. N. B. Khare: I should like to have notice.

Pandit Lakshmi Kanta Maitra: This Bikaner born gentleman—his birth in India may be a panacea for all manner of things,—when was this gentleman actually appointed? Was he appointed before the Reciprocity Act was passed?

The Honourable Dr. N. B. Khare: Positively so.

Mr. K. S. Gupta: Is the inspection of brothels in places like Gorakhpur, Salem, Coimbatore, one of his duties as an officer on special duty?

Mr. President (The Honourable Sir Abdur Rahim): I understand that that part of the question has been disallowed.

POST-WAR SHIPPING POLICY.

484. *Mr. K. C. Neogy: (a) With reference to the answer given by the Honourable the Commerce Member to my starred question No. 248 on the 17th November, 1943, on the subject of post-war shipping policy, will he be pleased to state whether he has received "further information and clarification on certain points" from the British Government in connection with the statement made by the Joint Parliamentary Secretary to the Ministry of War Transport in the House of Commons on the 14th July, 1943; and, if so, whether Government have given their consideration to the same?

(b) If the answer to (a) be in the affirmative, does the Honourable Member propose to make a statement in regard to the post-war shipping policy of India?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes, the matter is receiving the attention of Government.

(b) Consideration is being given to post-war shipping problems as part of the wider question of post-war trade and industrial policy, and until decisions are reached after consultation with the appropriate Reconstruction Committee, I shall not be able to make a statement on the subject.

Mr. T. S. Avinashilingam Chettiar: In view of the fact that there is suspicion in the minds of all people here that British shipping trade is against the development of Indian shipping will the Government be pleased to give an assurance that Indian shipping will be developed, not on the scale as before, but on a much larger and better scale consistent with the status and needs of this country?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That is one of the points which will be considered by the post-war reconstruction committee and the recommendations of this committee will be considered by the Government.

Mr. T. S. Avinashilingam Chettiar: May I know if any new considerations have to be taken note of by the Committee, although it is a well known fact?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Post-war questions are quite different from what the position was before the war.

POST-WAR SHIPPING POLICY.

485. *Mr. K. C. Neogy: With reference to the answer given by the Honourable the Commerce Member to my starred question No. 213, put in the Legislative Assembly on the 5th August, 1943, on the subject of India's post-war shipping policy, and the answer given that if a separate question was put to him as to the general lines of any shipping policy which the Government of India may have, he would certainly answer the same, what definite lines of action have been taken by the Government of India, or what definite lines of action do they propose to take, and what general policy of shipping have they laid down and/or adopted, firstly, for the purpose of securing an adequate participation of Indian shipping in the coastal trade of India, secondly, for securing an adequate participation of Indian shipping in India's overseas trade; thirdly, for enabling and ensuring the development of an Indian Merchant Navy owned, controlled and managed by Indians, adequate not only for carrying India's maritime trades but also for participating in the world trade; and fourthly, for enabling the large ocean-going ships to be built by Indians in Indian Ship-building Yards?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The attention of the Honourable Member is invited to the reply given to parts (b) and (c) of his question No. 277 on the 10th August, 1943.

Mr. K. C. Neogy: Is the Honourable Member sure that all the specific points I have mentioned in this question are covered by the answer to that question?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Yes.

Mr. K. C. Neogy: Will the Honourable Member be pleased to state with reference to part "fourthly",—"enabling the large ocean-going ships to be built by Indians in Indian Ship-building Yards"—what assistance has been given by Government for the purpose of enabling the existing ship-building yards to manufacture large ocean-going vessels?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: A special dock has been allowed to one of the companies which has applied for ship-building at Vizagapatam, and certain quays have been laid down there. But owing to the present position on account of war necessities, other work has been entrusted to this company. But I may say that within the last few weeks two engines have been ordered by the company for constructing large ocean-going vessels. These are in England and action has been taken to get them imported to this country to be set aside for the purpose of fitting them up when the ocean-going steamers are constructed.

Mr. K. C. Neogy: Is there any outstanding request from this particular company with regard to shipping facilities being granted for the purpose of enabling essential machinery out from England and essential parts such as propellers?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The only request that was outstanding was for the importation of these two engines and connected machinery to fit it with the ship that may be constructed. Quite recently the Government have recommended priority for the import of these engines.

Mr. K. C. Neogy: Is the Honourable Member quite sure that there is no other outstanding request from this company?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Not that I am aware of.

POSITION AS REGARDS INDO-BURMA IMMIGRATION AGREEMENT.

486. *Mr. K. C. Neogy: (a) Will the Honourable Member for Indians Overseas be pleased to state what action has been taken by Government on the motion adopted by the Central Legislature on the 4th November, 1941, recommending to the Governor General in Council to request the Secretary of State for India not to implement the Indo-Burma Immigration Agreement by an Order in Council?

(b) If any representation has been made to the Secretary of State on the motion referred to in (a) above, what is the latest position in this connection?

(c) If no representation has been made to the Secretary of State for India as referred to in (a), why has it not been made?

(d) Will the Honourable Member be pleased to state, whether at the informal conference called by him in Bombay on the 4th January, 1944, it was urged by the representatives of the various Associations invited that "the status of Indians in Burma should be the same in all respects as that of persons domiciled in the United Kingdom, and that Indians should have the same right of free entry into Burma as is enjoyed by the Britishers?"

(e) If the answer to (d) be in the affirmative, what action has the Honourable Member taken, or proposes to take, to enable Indians to exercise and enjoy such right of free entry into Burma after it is reconquered?

The Honourable Dr. N. B. Khare: (a), (b) and (c). An account of the debate on the motion was forwarded to the Secretary of State. Action was also initiated to reopen the matter but was unfortunately interrupted by the Japanese invasion of Burma. No further progress has been made on account of the developments in the course of the war in the East which are well-known to Honourable Members.

(d) and (e). The proceedings of the Conference called by me at Bombay on the 4th January, 1944, are confidential and I regret I cannot disclose them at this stage. But I assure that the suggestions made at that Conference are engaging the active attention of the Government of India.

Mr. K. C. Neogy: With regard to part (a), do I take it that the Government of India merely contented themselves with sending a copy of the proceedings of this House, or did the Government make any observations of their own for the consideration of His Majesty's Government?

The Honourable Dr. N. B. Khare: I have already said that action was also initiated to reopen the matter.

UNIFICATION OF CONTROL OF SHIPS PLYING IN COASTAL TRADE OF INDIA.

487. *Mr. K. C. Neogy: (a) Will the Honourable the Commerce Member be pleased to state whether any attempt was at any time made by Government to bring ships on the Indian Register, and ships on the United Kingdom Register plying in the coastal trade of India, under unified control of the Government of India?

(b) If the answer to (a) above be in the affirmative, did His Majesty's Government consent to such unified control on the part of the Government of India? If not, why not?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) and (b). I am unable to say more on the subject than that discussions took place in 1941 as to the possibility of establishing unified control over Indian and British ship-ping based on India and that those discussions were of a purely exploratory character.

Mr. K. C. Neogy: Do I take it that the Government of India did not put forward any specific opinion in this matter and that the discussions were merely exploratory?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: They put forward certain suggestions to explore the possibilities of any agreement on the subject.

Mr. K. C. Neogy: Is it not a fact that the Government of India definitely wanted this action to be taken—the action indicated by me in this question?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The Government of India suggested that an action of this kind may perhaps help in resolving certain difficulties which had then occurred in regard to the management of these two kinds of ships. These difficulties have since been resolved by other means.

Mr. K. C. Neogy: May I take it that the suggestion in regard to that matter was made by the Government of India but it was turned down by His Majesty's Government?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The difficulties were met by other methods.

* MANUFACTURE OF QUININE IN INJECTABLE FORM.

488. *Sir Abdul Halim Ghuznavi: (a) Will the Secretary for Education, Health and Lands please state whether Government have allotted quinine sulphate or quinine bihydro, to any pharmaceutical works for manufacturing quinine bihydro, in injectable form after the reply given to part (c) of my starred question No. 296 on the 12th August, 1943, stating that arrangements are being made with manufacturers for the manufacture of quinine in injectable form from stock available from Government? If so, what quantity of quinine has been allotted since August, 1943, to each firm, and what are the firms that received such allotment?

(b) What rate has been charged for such allotment, if any has been released?

(c) How are the manufactured ampoules distributed to the Malaria-stricken people of Bengal and Assam, and what are the channels for such distribution?

(d) Are Government distributing manufactured ampoules at controlled price through registered dealers and existing trade channel? If not, what is the plan of Government to distribute the same for the Malaria-stricken people of Bengal and Assam?

(e) What rates have been accepted by Government from each of the manufacturing concerns, and, if their rates are not the same, has the lowest quoting firm been offered the option of getting maximum quantity of quinine for manufacturing in injectable form?

(f) If the ampoules are not sold to the Malaria-stricken public at controlled rate, what is the Government's object for allotting quinine for manufacturing the same in injectable form?

Mr. J. D. Tyson: (a) A statement is laid on the Table showing the quantities of quinine bihydrochloride allotted so far to different firms for the manufacture of ampoules.

(b) Quinine bihydrochloride is supplied by the Madras Government at Rs. 35/8/- per lb.

(c) and (d). The manufactured ampoules are allotted to all Provincial Governments, except Bengal, according to their requirements. The Provincial Governments are responsible for distribution within their areas at controlled rates. The Bengal Government have been asked to make their own arrangements for manufacture of injectable quinine to meet the requirements of Bengal.

(e) The rates accepted by Government vary between -/13/- and 1/8/- per box of 6 ampoules of 6 grains each. No firm has been given any option of getting the maximum quantity available for allotment. As the supplies are very urgently required, the manufacture has been entrusted to a number of firms after taking into account the rates tendered by them and their manufacturing capacity.

(f) Does not arise.

Quantities of Quinine Bihydrochloride allotted to firms for Manufacture of Quinine Ampoules.		Total quantities allotted.
Name of firm.	Ampoules.	lbs.
Hind Chemicals Limited, Cawnpore.	...	700
Chemical Industrial & Pharmaceutical Laboratories, Limited, Bombay.	...	650
Smith, Stanistreet & Company, Limited, Calcutta	...	600
Lister Antiseptics & Dressings Company, Limited, Calcutta	...	550
Standard Pharmaceutical Works, Limited, Calcutta.	...	750
Bengal Chemical & Pharmaceutical Works, Limited, Calcutta.	...	100
		3,350 lbs.

Sir Abdul Halim Ghuznavi: Do you know the name of the firms?

Mr. J. D. Tyson: Whose tenders have been accepted?

Sir Abdul Halim Ghuznavi: Yes.

Mr. J. D. Tyson: The information is given in the statement laid on the table of the House.

IMPORT OF QUININE, ATEBRINE, ETC.

489. *Sir Abdul Halim Ghuznavi: (a) Will the Secretary for Education, Health and Lands please state what quantity of quinine, cinchona febrifuge and quinine substitutes like Atebrine, Mepacrine, Plasmoquine or Totaquine in any form has been imported into India, year by year, and, item by item, since the fall of Java in 1942?

(b) Is it a fact that Messrs. Martin and Harris Limited of Calcutta applied for an import licence to import 2,680,000 Metoquine tablets from the United States of America for the Indian Tea Association, and that the same was refused on the ground that quinine and all compounds and substitutes would be imported under Lease-Lend procedure? If so, what quantity of quinine or quinine substitutes have been imported into India under the Lease-Lend procedure?

(c) Is it a fact that certain manufacturers in the United States of America were willing to ship Metoquine Tablets (Atebrine) to Messrs. Martin and Harris Limited of Calcutta, but they were refused permission by the Indian Supply Mission at Washington? If so, why did the Indian Supply Mission at Washington take such a step when India was not self-sufficient in this essential drug?

(d) Did Government refuse to permit private importers to obtain supplies of quinine substitutes from the United Kingdom or the United States of America when Malaria is playing havoc and giving rise to such tragic consequences in Bengal and Assam?

(e) Are Government aware that due to extreme shortage of quinine, a serious black market in this drug has developed and spurious products in the name of quinine or quinine compounds are coming in the market? What steps have Government taken to check these?

(f) Have the Government of India supplied any quinine or quinine substitutes to Bengal? If so, what quantity has been supplied during the last year?

(g) If the reply to (f) is in the affirmative, through which channels are these drugs distributed? Has definite quota been fixed for the civilian population of Bengal and Assam where Malaria is taking such a heavy toll?

Mr. J. D. Tyson: (a) Cinchona febrifuge and quinine substitutes are not separately recorded in trade returns. The available information relates to quinine salts, imports of which amounted to 40,298 lbs. during 1942-43. I am not in a position to furnish later figures except in regard to quinine substitutes, of which approximately 19 million tablets have been imported in 1943-44.

(b) Yes. Because under arrangements with the American authorities all civil requirements in India are being imported by Government. The American authorities have fixed the amount of quinine substitutes to be exported to India and the Government of India have taken over the whole of that amount.

(c) Government have no information.

(d) Government have themselves taken steps to secure the available supplies.

(e) The Governments of Bengal and Madras have taken action under the Defence of India Rules to control the sale of quinine and other Provincial Government have been asked to take similar action.

(f) The quantities of quinine and quinine substitutes allotted to the Bengal Government in 1943 are:

Quinine	
Cinchona febrifuge	89,000 lbs.
Mepacrine hydrochloride	24,800 lbs.
	71 million tablets.

(g) It is understood that the drugs are distributed by the Provincial Governments through the public health and medical staff and reliable non-official agencies. All the supplies made available are intended for the civil population and no question of a quota for the civil population arises.

Pandit Lakshmi Kanta Maitra: Is the Honourable Member in a position to tell us that the Government of India have satisfied themselves that the quinine substitutes imported from the United Kingdom and the United States of America have the active principles of quinine?

Mr. J. D. Tyson: They have not any element of quinine but they have exactly the same result.

Pandit Lakshmi Kantra Maitra: I wanted to know whether any experiment has been conducted by the Government in their own laboratories or anywhere else to test the active principles of these quinine substitutes?

Mr. J. D. Tyson: I do not know of any such test that has been made in India but I can say that we are quite satisfied that they are efficacious and the defence forces, in order to relieve the quinine situation, are using quinine substitutes exclusively.

BANKING FACILITIES TO PILGRIMS TO HEDJAZ.

490. *Maulvi Muhammad Abdul Ghani (on behalf of Khan Bahadur Shaikh Fazl-i-Haq Piracha): Will the Honourable Member for Indians Overseas please state:

(a) if Indian pilgrims are allowed to carry with them Indian currency notes to the Hedjaz; if so, whether Government are aware that they face difficulties in exchanging currency notes and have to pay a good amount of discount in the local market; and

(b) whether Government proposes to arrange to remove this difficulty by providing banking facilities or to open a section attached to the British Legation to assist pilgrims in the matter?

The Honourable Dr. N. B. Khare: (a) and (b). The information is being collected and will be laid on the table of the House in due course.

Dr. Sir Zia Uddin Ahmad: May I know whether the Honourable Member has information to the effect that these notes are sold at a discount.

The Honourable Dr. N. B. Khare: I have already said that we are collecting information. I am not in a position to answer that now.

Dr. Sir Zia Uddin Ahmad: The Honourable Member may be collecting information about the quantum but what about the fact whether the notes are sold at a discount?

The Honourable Dr. N. B. Khare: It may be so.

Dr. Sir Zia Uddin Ahmad: Will the Honourable the Finance Member help us with a reply to this question? We are anxious to know what is the foreign credit of the paper currency.

The Honourable Sir Jeremy Raisman: I can tell the Honourable Member that the Indian rupee notes, in certain neighbouring countries, are standing at a very high premium.

PROVINCIAL HAJ COMMITTEES.

491. *Maulvi Muhammad Abdul Ghani (on behalf of Khan Bahadur Shaikh Fazl-i-Haq Piracha): (a) Will the Honourable Member for Indians Overseas please state the Provinces in which Provincial Haj Committees have been established?

(b) Are these Committees doing any useful work?

(c) Does the Honourable Member propose to lay copies of their annual reports on the table of the House, and to arrange to supply them to the members of the Central Haj Committee every year?

The Honourable Dr. N. B. Khare: (a) Madras, the United Provinces, the Punjab, Assam (two regional Committees) and the North-West Frontier Province.

(b) Yes.

(c) Yes.

Maulvi Muhammad Abdul Ghani: What are the rules under which the Provincial Haj Committees are constituted?

The Honourable Dr. N. B. Khare: I want notice of that question.

Maulvi Muhammad Abdul Ghani: May I know whether the Muslim Members of the Central Legislature will be taken on the Provincial Haj Committees as ex-officio members?

The Honourable Dr. N. B. Khare: I do not think so.

Mr. H. A. Sathar H. Essak Sait: Will the Honourable Member consider the advisability of this step?

The Honourable Dr. N. B. Khare: It is for the Provincial Governments.

Maulvi Muhammad Abdul Ghani: Is there a Provincial Haj Committee in Bihar?

The Honourable Dr. N. B. Khare: I have already answered that.

Maulvi Muhammad Abdul Ghani: May I know whether the Government will be pleased to ask the Government of Bihar to have a Provincial Haj Committee constituted there?

The Honourable Dr. N. B. Khare: It is their concern.

Mr. H. A. Sathar H. Essak Sait: My Honourable friend is entitled to ask whether there is a Haj Committee in Bihar, arising out of part (a).

The Honourable Dr. N. B. Khare: I have answered that categorically. I have stated the names of provinces where Haj Committees exist.

Dr. Sir Zia Uddin Ahmad: Bihar is not there.

Maulana Zafar Ali Khan: Is there a Haj Committee in the Central Provinces?

The Honourable Dr. N. B. Khare: I have given the names of provinces where Haj Committees exist, namely, Madras, the United Provinces, the Punjab, Assam (there are two, here) and the N.W.F.P.

Maulvi Muhammad Abdul Ghani: May I know why Provincial Haj Committees are not formed in other provinces?

The Honourable Dr. N. B. Khare: That depends upon the Provincial Governments, whether they consider it necessary or not.

Maulvi Muhammad Abdul Ghani: Do the Government propose to consult the various Provincial Governments on this?

The Honourable Dr. N. B. Khare: I have nothing to add.

BRITISH CANVASSING FOR INDIAN ORDERS FOR CAPITAL GOODS.

492. *Sir Abdul Halim Ghuznavi: Will the Honourable the Commerce Member please state:

(a) whether his attention has been drawn to the fact that certain British firms representing British manufacturers of capital goods are canvassing for orders for the import of various capital goods into this country at the end of the war;

(b) whether his attention has been drawn to the fact that a British firm in India representing British manufacturers has issued a circular letter in connection with the canvassing for orders to various Indian firms, containing among other matters the following:

"A condition of requirements being entered on the makers' books to rank for priority would be that you would agree to pay us a sum in rupees as earnest money equivalent approximately to five per cent. of the nominal total nett f. o. b. prices ruling at that time, to be treated when telegraphically remitted by us to the Makers in sterling at the then ruling rate of exchange, as a sterling payment made by you. No interest would be allowed on the sum in question. Your order would be registered on the Makers' books as and from the date the remittance is received by us, provided that Makers have confirmed that they are prepared to register your order. If the order is confirmed by you, the sterling sum would be treated as part payment on account, but if the order is not confirmed by you within a reasonable time after you receive the firm price quotation, the sum would be treated as a price paid for preliminary preferential registration of your requirements and, in that event, the sum would be forfeited and not repaid to you";

(c) whether the Honourable Member considers that these are fair conditions; and, if not, whether the Honourable Member proposes to take steps to see that Indian firms are warned against committing themselves in the manner suggested in the circular letter;

(d) if the reply to (c) is in the negative, whether Government accept these conditions to be fair or in the larger interests of the country; whether Government have approached His Majesty's Government to stop this practice of British manufacturers for canvassing such orders on such unfair conditions; and

(e) whether Government are prepared to consider, at an early date, their whole policy, with reference to future imports, so that industrialists in this

country are made aware of the conditions likely to prevail at the time when the War is over in the Western Theatre and can adjust their needs accordingly?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) No.

(b) No.

(c) The matter is under investigation.

(d) Does not arise.

(e) The matter is already under consideration.

Mr. Abdur Rasheed Ghoudhury: Is it a fact that the canvassing done by the firms is in the knowledge of the Government?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Which Government?

Mr. Abdur Rasheed Choudhury: The Government of India.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The Honourable Member has not followed the reply that I have just given.

DISPARITY BETWEEN UNORTHODOX AND ORTHODOX QUARTERS IN NEW DELHI.

493. *Sardar Sant Singh: Will the Honourable Member for Labour please state:

(a) whether the plinth and ground area, including outhouses and garden, is much larger in the case of unorthodox clerks' quarters than in the corresponding type of orthodox clerks' quarters (especially in the Minto Road Area), so much so that, while the tenants of unorthodox quarters raise a good crop of vegetables, lay flower beds, rear poultry, can keep milch cattle and have badminton or tennis ground, there is not enough open space in orthodox quarters even to lay charpois for an average family during summer, and that the roofs of the "D" and "E" orthodox types are so low that they become heated very quickly during summer and cannot be occupied;

(b) whether the quality of materials, viz., timber, bolts, etc., used in the construction of an unorthodox quarter and the furniture supplied therein are much superior to those used in the orthodox type of quarters; the workmanship also being superior;

(c) whether the following special amenities and fittings provided in unorthodox quarters are absent in orthodox quarters:

(i) gardens and shrubs,

(ii) servants' quarters,

(iii) iron grates in fireplaces,

(iv) wall almirahs,

(v) fittings for curtains and rings for hanging chicks,

(vi) wash basin in bath rooms,

(vii) unfiltered water connection in compound, and

(viii) venetian window shutters in the "D" and "E" orthodox quarters;

(d) whether no cattle sheds are allowed to be constructed in orthodox quarters below the category "B" while they are allowed in unorthodox quarters;

(e) whether in the Public Works Department Enquiry Offices, more prompt attention is given to complaints from unorthodox quarters and preference is also shown to unorthodox quarters in the matter of annual repairs and general maintenance, etc.;

(f) whether the cost of maintenance of an unorthodox quarter is much more than that of an orthodox quarter, and that, while return on capital in the case of an unorthodox quarter is comparatively negligible, the orthodox quarters provide adequate revenue to Government;

(g) if the reply to (a) be in the affirmative, the reasons for discriminating between unorthodox and orthodox types of quarters in regard to amenities referred to and for charging rent on the same basis, i.e., ten per cent. for both types; and

(h) whether Government are prepared to amend their Fundamental Rules so as to make them conform to strict business principles; if not, why not?

The Honourable Dr. B. R. Ambedkar: (a) The answer to first part of the question is in affirmative and to the latter in the negative.

(b) No.

(c) Yes so far as items No. (i), (iii), (iv), (v), (vi) and (viii) are concerned. A room for servant exists in other than D and E orthodox quarters and unfiltered water connection is provided in the open compound outside the orthodox quarters.

(d) Yes.

(e) No.

(f) The answer to the first part of the question is in the affirmative. As regards the second part, the position is as follows:

Government servants occupying quarter of both the types pay standard rent or 10 per cent. of their pay, whichever is less, but the standard rents of orthodox quarters being lower, a larger number of occupants pay the standard rent.

(g) The amenities provided in the two types of quarters are in accordance with the standard designs which were prepared to suit the orthodox and unorthodox styles of living. Rent is charged according to rules.

(h) No. Government provide accommodation at concessional rates as laid down in the Rules, which cannot be varied to suit the varying circumstances of officers.

Sardar Sant Singh: May I know if it is a part of the rule to provide water in the compound of the orthodox quarters and in the case of the unorthodox quarters only in the quarter itself?

The Honourable Dr. B. R. Ambedkar: That must be so.

ALLOWANCES FOR SUB-ASSISTANT SURGEONS, ETC., AT IRWIN HOSPITAL, NEW DELHI.

494. *Sardar Sant Singh: (a) Will the Secretary for Education, Health and Lands please state whether Sub-Assistant Surgeons and/or Assistant Surgeons in the Irwin Hospital receive any allowances in addition to their pay for doing special work, e.g., attending to Secretariat Establishment, to Government of India Press Establishment, etc.?

(b) If so, what are the various allowances so given?

(c) How many of these allowances were given to Hindus, and how many to Muslims, on the 1st December, 1943?

(d) Is there a Resident Medical Officer at the Irwin Hospital? If so, what allowances are being drawn by him in addition to his pay?

Mr. J. D. Tyson: (a) Yes.

(b) A statement is laid on the table of the House.

(c) Hindus three, Muslims two.

(d) The reply to the first part is in the negative. The second part does not arise.

Statement.

1. A special pay of Rs. 40 per mensem for the performance of extra duties performed by an assistant surgeon consequent on the abolition of the post of Resident Medical Officer.
2. A special pay of Rs. 30 per mensem in the nature of a conveyance allowance to a medical officer for attendance on employees of the Government of India Press and their families at their residences outside his duty hours at the Irwin Hospital.
3. A special pay of Rs. 50 per mensem to the anaesthetist at the Irwin Hospital.
- 4 and 5. A special pay of Rs. 25 and a compensatory allowance of Rs. 25 per mensem to the Assistant to the Radiologist.

REDUCTION IN SUPPLY OF KEROSENE OIL TO GLASS BANGLE INDUSTRY, FIROZABAD.

495. *Mr. N. M. Joshi: (a) Is the Honourable Member for Industries and Civil Supplies aware of the fact that the quota of kerosene oil for joining ends of glass bangles in Firozabad has been reduced from 7,500 tins monthly in 1941 to 1,100 tins monthly in 1944 which has caused huge accumulation of unfinished bangles in the factories?

(b) What measures are being adopted to avoid this crisis by either increasing quotas of kerosene or providing a substitute by installing a steam coal gas plant?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) It is not a fact that the Glass Industry in Firozabad was receiving 7,500 tins of kerosene a month in 1941. The monthly supply during that year to the town of Firozabad itself averaged about 4,500 tins. Supplies during the current year to the town averaged 2,000 tins per month, of which 1,100 tins have been allotted to the Glass Bangle Industry. It is a fact that there is a large accumulation of unfinished bangles in the factories.

(b) Owing to the shortage of coal and firewood, so long as the difficulties regarding coal and firewood continue, there would be little point in installing a steam coal gas plant or in increasing, even if it were possible, the supplies of kerosene. Government is doing everything possible to ensure a better and more regular supply of coal.

HAWKING OF INDIAN COTTON GOODS, ETC., IN DELHI WITHOUT EXHIBITION OF PRICE LISTS.

496. *Mr. Muhammad Azhar Ali: Will the Honourable Member for Industries and Civil Supplies please state:

(a) if it is a fact that prices for cotton goods and other articles of necessities manufactured in India have not so far been fixed by Government; if not, the Notifications in which the prices of Indian made merchandise goods are published; if not, why not;

(b) if it is a fact that cotton goods, etc., manufactured in India are hawked in bazaars and streets of Delhi and price lists are not kept by persons vending them;

(c) what arrangements have been made to protect the public from the profits made through prices which could not be ascertained from the persons hawking the goods in places other than shops, and regularly maintained markets; if no arrangements have been made, the reasons therefor; and

(d) if it is a fact that in shops in Delhi which are observing weekly holiday a large amount of unauthorised sales on closed shop premises, footpaths, etc., is carried on by hawkers and others, who are not in possession of price lists; if so, why?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Government have already fixed prices for a large number of consumer goods.

(b) Government have no information; but in so far as cotton goods are concerned, price lists would, in any case, be unnecessary since prices are required to be stamped on the cloth.

(c) Every effort is made to bring to the notice of the public the prices fixed for various commodities from time to time. If the prices asked for by hawkers appear to be excessive, the public have the alternative of refraining from buying from these people and obtaining their requirements from regular shops.

(d) Government have no information.

Sir Muhammad Yamin Khan: What will the public do if they have to purchase some medicine which is very necessary and the man is selling it at a very high price? How can a man go without medicine?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I was not aware that hawkers vended medicine.

Sir Muhammad Yamin Khan: Not the hawkers only, but the Honourable Member said in his reply that the public has been told not to purchase articles if they find the price excessive. To this I am asking what remedy have the people when they find that the chemist is charging three times the original price?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I am afraid my answer has not been properly appreciated. I said that members of the public need not buy from the hawkers but may obtain from regular shops.

Maulana Zafar Ali Khan: Why should not action be taken against hawkers if they sell medicine at a high price?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Government have no information on the subject, but that point will be brought to the notice of the proper authorities.

STATUS AND POSITION OF ASSOCIATES OF INSTITUTE OF ACTUARIES.

497. *Mr. T. T. Krishnamachari: Will the Honourable the Commerce Member please state:

(a) whether he has in contemplation any scheme for regulating the employment by Insurance Companies of persons who are Associates of the Institute of Actuaries; and

(b) whether he has been advised that the present time is opportune for making any change in the status and position of the Associates of the Institute of Actuaries?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) Yes.

(b) As no change in the status or position of the Associates is intended, the question does not arise.

Mr. T. T. Krishnamachari: Why is it that there is a need for changing this method of giving licences to the Associates?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That is the very matter which is under consideration now. As a temporary measure, in 1939, the then Superintendent of Insurance, finding that with reference to insurers and provident societies there was a great deal of routine matter to be certified, permitted the Associates to certify that, instead of following the original system of requiring each individual Associate to apply personally to him and each Company to apply also for permission to employ that Associate. That has led, so the allegation says, to these Associates claiming for themselves the same position and status as the Fellows, which was never contemplated. The whole matter is now under consideration.

Mr. T. T. Krishnamachari: May I ask the Honourable Member whether the idea of the Government is to protect the Fellows as against the Associates?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: To see fair-play among all sorts of qualified and partially qualified people.

Mr. T. T. Krishnamachari: May I ask the Honourable Member if he knows that this is not the proper time that Associates can be enabled to become Fellows and they cannot get properly qualified because of the war conditions?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: That does not alter the fact that they are only partially qualified.

Mr. T. T. Krishnamachari: Cannot the Government hold this particular rule in abeyance till the war comes to an end?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: The matter is under consideration; that may be one of the possibilities.

COTTON TEXTILES PRODUCED BY MILLS AND HAND-LOOMS.

498. *Mr. K. C. Neogy: (a) Will the Honourable Member for Industries and Civil Supplies be pleased to state:

(i) the total approximate quantities of cotton textiles produced in India by mills and hand-looms, separately, year by year, in 1941, 1942 and 1943;

(ii) how much of the above quantities were taken over by Government for military or other requirements;

(iii) how much of the above quantities were exported outside India and to which places; and

(iv) how much of the above quantities represent the approximate internal demand per year?

(b) Is it a fact that exports of cotton are being controlled by Government? If so, does the Honourable Member propose to explain the policy of Government in this matter, indicating the principal features of the control system, and the quotas fixed for different countries?

(c) What is the total quantity of standard cloth that the Indian cotton mills were expected to produce in 1943, and what was the allotment for each province thereof, and how much of it was disposed of in each province by the end of 1943?

(d) What has been the method of distribution and sale of standard cloth in each province?

(e) What are the rates of price payable to mill-owners during different periods, and what rates of prices were fixed for their sale to the consumer in the respective periods?

(f) Is there any scheme for bringing about a graduated reduction of the price of standard cloth? If so, what are its features, and to what extent has the consumer actually received the benefit of such reduction period by period in each province? Was any reduction due on the 1st February last? If so, has it been given effect to?

Before my question is answered, may I point out that there is a mistake in part (b) of the question? In the first line, the reference was intended to cotton goods. The word 'goods' does not appear in the question as printed. I hope that won't interfere with the answer of the Honourable Member.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It would because my answer has been based on the fact that cotton was exported.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can answer this question later.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I can answer the whole question. There is only part of it which has been affected.

(a)(i). The following are the figures of production of cotton textiles by mills:

1941—4,300 million yards.

1942—4,014 million yards.

1943—4,755 million yards.

As regards handlooms, no definite figures are available but the probable annual production in the past three years may be about 1,500 million yards.

(ii) The quantities purchased by Government have been:

1941—600 million yards.

1942—1,104 million yards.

1943—582 million yards.

(iii) Figures of exports are given in the Monthly publication "Accounts relating to the Sea Borne Trade and Navigation of British India", copies of which are available in the Library of the House.

(iv) The approximate internal demand per year in normal times is probably in excess of the total Indian production.

And this is where I have to give the reply on the basis of cotton.

(b) Exports of cotton are being controlled by Government. Their general policy is to prohibit export of medium and long staple cotton except to Empire countries. Even to these latter, exports are not freely permitted.

(c) The total quantity of Standard Cloth for which orders were placed on mills in 1943 was 743 million yards. Out of this 408 million yards had been despatched to Provinces and States by the end of December 1943. I have placed in the Library of the House a statement showing the amount of Standard Cloth allotted to each Province up to the end of January 1944, the proportion of that allotment actually despatched by the end of January, and the quantities actually sold in each Province by the same date.

(d) Provinces sell Standard Cloth through the normal trade channels and through official channels at their discretion.

(e) I have placed in the Library of the House a schedule showing the ex-mill and retail prices of all varieties of Standard Cloth during the last three quarters.

(f) Yes, Sir. Its main feature is to pass on any reductions obtained in ex-mill prices to the consumer over a certain period though not as reductions actually occur, the aim being to give a reasonable time to the dealers to dispose of stocks purchased by them during one period before further stocks at different prices are made available to them. This is necessary because the margin of profit allowed to the dealers has been kept particularly small and not capable of bearing any large losses owing to frequent reductions in price. Ex-mill prices of Standard Cloth, for which orders have been placed for delivery to be made during February-April, are lower than the corresponding prices during the previous

periods. The question of passing on the benefit of the lower prices will not arise until deliveries under this begin to be made.

Mr. Sami Vencatachalam Chetty: Is it a fact that the scheme of Standard Cloth is going to be stopped soon?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It may have to be considered.

Mr. Sami Vencatachalam Chetty: Is it not a fact that the Government have already come to the conclusion that it will be stopped?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I find myself in a peculiar difficulty in answering that question.

Mr. Sami Vencatachalam Chetty: Is it because you feel a delicacy in disclosing the decision of the Government?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I have not got information on this subject.

Mr. Sami Vencatachalam Chetty: May I know if the Government are not making as much as 17 per cent. profit on the Standard Cloth?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I want notice. But I can say that there is no profit being made by Government. It is an equalisation fund that is built up which is passed on from period to period by way of adjustment of prices. No profit is made by the Government at all.

Mr. K. C. Neogy: With reference to part (d) the Honourable Member stated that the Provincial Governments have got their discretion either to employ the official agency or the trade channels for the purpose of distribution of Standard Cloth. Has the Honourable Member any information in his possession to indicate as to which of the Provinces utilise the normal trade channels and which others the official channels, and what are the respective outstanding stocks in the two cases?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I want notice.

Mr. K. C. Neogy: Is it a fact that in Madras, the normal trade channel was utilised to a larger extent than elsewhere and it is in this Province alone there is nothing very much by way of stock in the hands of the Government, and that in Provinces like Bengal, Bihar, etc., due to the fact that the official agencies were preferred to normal trade channels, large quantities are still held in stock?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Knowing as I do the Madras Province, I am prepared to accept the information given by my Honourable friend regarding Madras as substantially correct. As regards other Provinces, I have no information.

Mr. Hooseinbhoj A. Lalljee: What is the official agency? Are Government shops created?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Shops licensed by Government specially for this purpose, I take it.

POLICY FOR ISSUE OF LICENCES FOR IMPORT OF CHEMICALS AND DYES.

499. ***Mr. Jamnadas M. Mehta:** (a) Will the Honourable the Commerce Member be pleased to state the new policy Government are following for the issue of licences for the import of chemicals and dyes necessary for the cotton textile industry in India, and the procedure by which decisions with regard to the issue of such licences are taken?

(b) Why are some Indian firms which had been given licences in the past sought to be eliminated?

(c) Why is the policy of discrimination at the cost of Indian concerns allowed to continue?

(d) What precautions are Government taking against the establishment of a monopoly in these commodities by non-Indian vested interests?

(e) Have Government received any communications on this subject from the Secretary of State for India, the High Commissioner for India in London or from manufacturers in the United Kingdom?

(f) Are Government aware of the complaint that at meetings of the Advisory Board which is supposed to advise the Textile Commissioner, Bombay, in

these matters, at which issues concerning the subject matter of these questions are discussed, the Honorary Chief Controller of Raw Materials tries to impose his pre-determined views?

(g) Are meetings of the Advisory Board convened only to convey the decision of Government through the Honorary Chief Controller of Raw Materials?

(h) Have Government received any representation from the trade as well as commercial bodies protesting against this procedure? If so, what action do Government propose to take to make the advisory system real and effective?

(i) Are Government aware that recent decisions of the said Honorary Chief Controller of Raw Materials tend to establish a virtual monopoly for the Imperial Chemical Industries, Ciba and other foreign business houses?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) No new policy is being followed in respect of dyes, and the same is true of chemicals with the exception of zinc chloride and hydro-sulphite of soda. In the case of these two substances licences for the period January-June 1944, have been granted only to accredited-representatives in India of the manufacturers concerned. This procedure was, however, introduced in special circumstances and is subject to review at the end of the current licensing period.

(b) and (c). The decision in the case of zinc chloride and hydro-sulphite of soda was not taken with a view to eliminating any Indian concerns, but to ensure supplies of the two chemicals of good quality and at reasonable prices.

(d) The question of establishing a monopoly by any interests does not arise. Any concerns which directly represent a manufacturer in the exporting country are given licences. There is no question of giving any one an additional advantage.

(e) Yes, the Secretary of State for India has enquired as a matter of information.

(f), (g) and (h). Government have received certain representations to this effect. They are satisfied that these representations are not well-founded. The recommendations of the Committee are duly recorded in the minutes of its meetings, which are thereafter considered by the Priority Assistance Committee of the Textile Control Board.

(i) No.

Mr. T. T. Krishnamachari: With reference to parts (b), (c) and (e) may I know whether Government have any information that exporters of chemicals in U. K. are agitating over this matter?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: No, Sir.

POLICY FOR ISSUE OF LICENCES FOR IMPORT OF CHEMICALS AND DYES.

500. ***Mr. Jamnadas M. Mehta:** (a) Will the Honourable the Commerce Member please state if it is the considered view of Government that, in future, imports should only be permitted through importers who are themselves representatives of manufacturers in foreign countries?

(b) Are Government aware that manufacturers' representation in India is mainly confined to a few big non-Indian concerns like the Imperial Chemical Industries, Ciba, National, etc.? If, therefore, imports are permitted only through them, is there not the danger of the business developing into a monopoly for these concerns?

(c) Do Government realise the menace to trade and consumption in concentrating immense powers in the hands of a few combines?

(d) Are Government aware that the Imperial Chemical Industries has long been trying to oust its competitors from the trade by all means at its command, and that the monopolistic tendencies of this company have been the subject of adverse criticisms even in the British Press?

(e) What measures do Government propose to take to protect the interests of those who have been in the trade and who have made their reputation with customers who look to them for supplies?

(f) Are Government aware that many of these firms have successfully competed with the Imperial Chemical Industries and the like concerns in

1224

LEGISLATIVE ASSEMBLY

[17TH MAR. 1944]

the past when normal conditions prevailed, to the advantage of the consumer and for the prosperity of the trade?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) No such general conclusion has been arrived at.

(b) and (c). Government are aware of the disadvantages of restricting import licences for any particular commodity to manufacturers' representatives, but circumstances may exist in exceptional cases where the advantages of doing so outweigh the disadvantages.

(d) Government are not aware to which particular criticism the Honourable Member refers.

(e) and (f). Government are fully alive to these considerations and it is part of their import licensing policy to take account of the legitimate interests of those engaged in any particular trade.

Mr. T. T. Krishnamachari: May I ask if for the period from January to June of this year, licenses have been issued to cover 90 per cent. of imports through one channel and ten per cent. of imports through Indian as well as Swiss channels? I mean 90 per cent. is covered through I.C.I. and ten per cent. is covered by Indian as well as Swiss channels?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I want notice.

Dr. Sir Zia Uddin Ahmad: Is the Honourable Member aware that certain ports are not open all the year round, but they are open only for certain months in the year. Will the Government allow persons to use their full quota all the year during the months in which the ports are open?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I do not understand the question.

Dr. Sir Zia Uddin Ahmad: In Kathiawar there are certain ports which are open all the year round. There are certain other ports which are open only for a few months in the year. May I know whether the Government will allow the use of the full quota of the year to those merchants who export from closed ports during the months the ports are open?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I want notice.

Dr. Sir Zia Uddin Ahmad: My question is very important.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I realise the importance of it and that is why I ask for notice.

Dr. Sir Zia Uddin Ahmad: This fact has been repeatedly brought to the attention of the Honourable Member for Industries and Civil Supplies. I should like to know what action has been taken. It is rather an important question.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: This question relates to imports and not exports. The question of certain ports being closed during part of the year, like those in Kathiawar ports, is in my opinion far more important with reference to exports than on imports.

PROMOTION OF QUALIFIED COPYHOLDERS AND REVISERS AS READERS IN GOVERNMENT OF INDIA PRESSES.

501. *Mr. Muhammad Hussain Choudhury: (a) With reference to the reply to part (d) of starred question No. 231 put by Qazi Muhammad Ahmad Kazmi, on the 25th February, 1944, regarding promotion of Copyholders and Revisers as Readers in the Government of India Press, will the Honourable the Labour Member kindly state whether the 'anomaly' is due to the fact that departmental men passing in earlier dates do not get any preference whatsoever over those who pass in the second chance in subsequent examinations? (b) Is he aware that those who pass the examination earlier stand distinctly higher in order of merit and efficiency and experience in Readers' posts? (c) Is it a fact that the present anomaly and the hardship that existed before the promulgation of the existing rule can not be removed unless the date of passing is accepted as a criterion for determining the position of the candidates for Readers' posts?

(d) Do Government propose to promote the candidates to Readers' posts on the basis of seniority cum efficiency, i.e., according to seniority but in order of the dates of passing the examination? If not, why not?

The Honourable Dr. B. R. Ambedkar: (a) No.

(b) No. The earlier passing of the examination does not necessarily mean higher merit.

(c) There is no anomaly in the case of persons who qualify at the Readership examination in the first or second chance. As regards men who qualify in the third chance, certain anomalies have arisen and the question of removing them is now under consideration, as stated in reply to part (d) of Qazi Muhammad Ahmad Kazmi's question No. 231.

(d) The Readership examination is a qualifying examination and every candidate is permitted to avail of two chances. Government do not propose to regulate promotion in order of the dates of passing the examination.

MUSLIM OFFICERS IN FOREST DEPARTMENT.

502. *Maulvi Muhammad Abdul Ghani: Will the Secretary for Education, Health and Lands be pleased to state the total strength of officers in the Forest Department at Headquarters and in Provinces under the Forest Department, and the number of Muslim officers therein?

Mr. J. D. Tyson: Excluding twelve posts held by officers of the I.F.S., to which recruitment was stopped before the orders of 1934 enjoining the observance of communal proportions in recruitment were issued, the number of gazetted officers employed at the Forest Research Institute and Colleges at Dehra Dun and in the Forest Departments of the Chief Commissioners' provinces on the 1st July 1943 was 34, of whom nine were Muslims. The Central Government have no Forest Officers serving in the Forest Departments of the Governors' Provinces.

CENTRAL LEGISLATURE MEMBERS IN PROVINCIAL FOOD COUNCILS.

†503. *Mr. Kailash Bihari Lall: Will the Honourable the Food Member be pleased to state:

(a) how many Members of this Assembly and the Council of State are invited by Provincial Governments to accept membership of the Provincial Food Councils; and

(b) how many Provinces have formed their Food Councils, and whether those Governments have invited the Members of this House to attend their Councils; and if not, why not?

The Honourable Sir Jwala Prasad Srivastava: (a) The Government of India have no information.

(b) Seven Provinces have set up Food Councils or their equivalents and the remainder propose to do so. It is for the Provincial Governments to decide the composition of these bodies.

BIHARIS AS ASSISTANT GEOLOGISTS.

†504. *Mr. Kailash Bihari Lall: Will the Honourable Member for Labour be pleased to state:

(a) if it is not a fact that in the Department of Geological Survey of India vacancies are filled on the basis of quota fixed for each Province;

(b) the quota fixed for Bihar for the posts of Assistant Geologists;

(c) how many Biharis are working at present as Assistant Geologists or in a higher capacity; and

(d) the quotas for different Provinces?

The Honourable Dr. B. R. Ambedkar: (a) No.

(b) Does not arise.

(c) Information is being collected and will be laid on the table of the House.

(d) Does not arise.

†Answer to this question laid on the table, the questioner being absent.

INSURANCE COMPANIES APPLYING FOR RAISING OF SHARE CAPITAL.

1505. *Mr. Kailash Bihari Lall: (a) Will the Honourable Member for Commerce be pleased to say how many Insurance Companies have applied for sanction to raise the share capital since the new Insurance Act came into force? What is their number, province-wise?

(b) Did any Insurance Company apply from Bihar for sanction to raise the share capital?

The Honourable Sir M. Azizul Huque: The question should have been addressed to the Honourable the Finance Member.

PROMOTION OF QUALIFIED COPYHOLDERS AND REVISERS AS READERS IN GOVERNMENT OF INDIA PRESSES.

1506. *Mr. Kailash Bihari Lall: Will the Honourable the Labour Member be pleased to state:

(a) whether it is a fact that the case of amending the rule regarding the promotion of qualified Copyholders and Revisers as Readers in Government of India Presses is under consideration;

(b) whether it is a fact that the views of all the Government of India Presses, their Works Committees and Workers' Union, which were invited, are also under examination;

(c) whether it is a fact that some qualified Copyholders who passed the Readership Examination in the year 1936, according to the present rules, have been superseded by those who qualified after four years (in 1940); and

(d) whether it is a fact that these men who passed the examination at a sufficiently earlier date, were superseded by those who qualified after a long period?

The Honourable Dr. B. R. Ambedkar: (a) Yes. Attention is invited to the reply given on the 25th February, 1944, to Qazi Muhammad Ahmad Kazmi's question No. 231.

(b) Yes.

(c) and (d). No. As the Rules in force till 1940 required re-qualifying, no supersession was involved.

ALIGARH MUSLIM UNIVERSITY AND COMPARTMENTAL SYSTEM OF EXAMINATIONS.

507. *Maulvi Muhammad Abdul Ghani: Will the Secretary for Education, Health and Lands be pleased to state:

(a) the result of his correspondence with the Aligarh Muslim University regarding the introduction of the compartmental system of examinations; and

(b) whether the various expert committees appointed by the Central Advisory Board of Education submitted their reports; if so, whether the Honourable Member proposes to lay a copy of the same on the table?

Mr. J. D. Tyson: (a) The Government of India have very recently received proposals from the Aligarh Muslim University for an extension of the compartmental system in the examinations of the University.

(b) The report of the Examination Committee of the Central Advisory Board of Education on the technique of examinations was considered by the Central Advisory Board of Education at their last meeting in January 1944. The report of the Committee, together with the recommendations of the Board thereon, will be printed in the 'Proceedings of the tenth meeting of the Central Advisory Board of Education', copies of which will, when published, be placed in the Library of the House.

Dr. Sir Zia Uddin Ahmad: May I know whether the Government of India have accepted the unanimous recommendations of the Central Advisory Board of Education as regards supplementary and compartmental examinations?

Mr. J. D. Tyson: I cannot say, Sir.

Dr. Sir Zia Uddin Ahmad: May I know if the Government considered the unanimous recommendations of the Central Advisory Board of Education about compartmental and supplementary examinations?

†Answer to this question laid on the table, the questioner being absent.

Mr. J. D. Tyson: I am unable to say, Sir. If the Honourable Member will give me notice, I will supply the information.

Dr. Sir Zia Uddin Ahmad: Sir, this question has already been raised and it is before the Honourable Secretary for Education for consideration. It was raised by the Aligarh University and the papers are with the Secretary for Education. I should like to know what is his opinion on this matter.

Mr. J. D. Tyson: The Honourable Member seems to have been misinformed. I have not yet seen the proposal.

UNSTARRED QUESTIONS AND ANSWERS.

TRANSFER OF LANGUAGES SECTION OF BUREAU OF PUBLIC INFORMATION TO LAHORE.

140. Mr. Muhammad Azhar Ali: (a) Will the Honourable Member for Labour please state the area of the space allotted to the Languages Section (excluding officers) in Lahore, and the total strength of the staff accommodated therein? Do Government consider this adequate for the efficiency of the staff? Was not even this much space available in Delhi?

(b) Are Government aware that the lavatory has been provided for the staff and the improvised urinal has no drainage arrangement?

(c) What is the strength of the staff belonging to the Bureau of Public Information which has been transferred from Delhi to Lahore? Of them how many were provided with quarters in Delhi, and how many in Lahore? How many of them have so far surrendered their quarters in Lahore on grounds of inadequate accommodation?

The Honourable Dr. B. R. Ambedkar: (a) An area of 4,587 Sq. ft. was allotted to this office. The ministerial staff consist of 48 persons.

Second part—Yes.

Third part—No.

(b) The answer to the first half of the question is in the affirmative and to the second half in the negative.

(c) Strength of the Staff that moved from Delhi	35
Number of the staff provided with quarters in Delhi	7
Number of the staff provided with quarters in Lahore	18
Number of the staff that surrendered accommodation in Lahore on grounds of inadequacy	5

DELAYS AT SALES OFFICE OF MANAGER OF PUBLICATIONS, DELHI.

141. Mr. Kailash Bihari Lall: Will the Honourable Member for Labour please state if it is a fact that a person has to wait for hours for publications at the counter of the Sales Office of the office of the Manager of Publications, Old Bihar?

The Honourable Dr. B. R. Ambedkar: The reply is in the negative.

ESSENTIAL FOODSTUFFS FOR MANUAL WORKERS IN BIHAR.

142. Mr. A. C. Inskip: Will the Honourable Member for Food be pleased to state with reference to the proposed Bihar Government Sales Tax, what the Central Government consider are essential foodstuffs for manual workers in Bihar?

The Honourable Sir Jwala Prasad Srivastava: I understand that the Government of Bihar propose to exempt all foodstuffs generally from the proposed Sales Tax. The Honourable Member's question therefore does not arise.

SHORT NOTICE QUESTION AND ANSWER.

SPECIAL ALLOWANCE TO BRITISH JUNIOR MARRIED OFFICERS IN INDIA.

Mr. T. S. Avinashilingam Chettiar: Will the War Secretary please state:

(a) the facts with regard to giving of further allowance to British junior married officers in India, and what the proposals are;

(b) how many will receive this allowance as at present contemplated; and

(c) what will be the financial effect of these proposals?

The Honourable Sir Jeremy Raisman: As the War Secretary is indisposed, I have been asked to answer this question.

(a), (b) and (c). Investigations arising out of a question asked in the House of Commons in October, 1942, have disclosed that the net emoluments of certain categories of married British Service Officers with children serving in India are less than or not appreciably in excess of those of their opposite numbers serving in the United Kingdom. This result is due to the differences in the income-tax laws of the two countries. British law allows a variety of easements including certain exemptions in respect of wives and children, which Indian law does not. Moreover, in the United Kingdom various allowances, including family allowances, are exempt from taxation whereas under Indian law they are liable to tax. Various suggestions for restoring to officers the margin over United Kingdom emoluments, which is an accepted feature of overseas service, have been under examination by the Secretary of State and the Government of India but no decision has yet been reached.

ELECTION OF MEMBERS TO THE STANDING FINANCE COMMITTEE.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move: "That this Assembly do proceed to the election, for the financial year 1944-45, in such method as may be approved by the Honourable the President, of a Standing Finance Committee of the Assembly not exceeding fourteen in number to which shall be added a Member of the Assembly to be nominated by the Governor General. The Member so nominated shall be the Chairman of the Committee."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved: "That this Assembly do proceed to the election, for the financial year 1944-45, in such method as may be approved by the Honourable the President, of a Standing Finance Committee of the Assembly not exceeding fourteen in number to which shall be added a Member of the Assembly to be nominated by the Governor General. The Member so nominated shall be the Chairman of the Committee."

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, it has fallen to my lot to raise my voice of protest year after year against the restriction of the duties and functions assigned to the Standing Finance Committee and against the composition of this Committee. I pointed out several times before that the powers and functions which were originally to be allotted to this Committee are not allotted to it now and that the composition of this Committee is unsatisfactory. I do not like to go into the details of this matter at the present moment, but I shall point out to the House that when this Committee was first constituted in the year 1921, Sir Malcolm Hailey (now Lord Hailey) stated that very important functions were to be given to this Committee. But that is not done now. As a protest against this restriction of powers this Assembly refused on several occasions to elect the Standing Finance Committee at all. Sir, after the non-election of any Committee for a number of years, this Committee was re-elected four or five years ago, and I agreed to join this Committee in order that I might try to make myself useful. But bitter experience for several years taught me that I could not be of any use to this Committee, and last year I declined to be nominated for election to this Committee.

Sir, I put it to this House now, whether it is desirable or not to have the restrictions on the powers and duties of this Committee removed and to alter the composition of the Committee.

As regards the composition of the Committee, I wish to urge that only elected members of this House should be elected and not nominated Members. I urge also that nominated members should not vote at the time of election. These two matters will receive, I hope, the careful consideration of the Government and of this House, and on that will depend my attitude towards the election of this Committee.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): What about the functions?

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, several members of my Party who have been sitting on this committee have brought to my notice that they have not been getting proper opportunity to

ELECTION OF MEMBERS TO STANDING FINANCE COMMITTEE

discuss the matters which were brought before the committee. One reason was that this committee meets when they are already over-worked and cannot give sufficient time to study the matters which are to be brought before them. I think the Honourable the Finance Member is very anxious to save public money and for that reason he always holds the committee meetings during the Assembly Session when Members are here. I admit that some saving is naturally effected by holding the committee during the Assembly Session, but the disadvantage in holding the committee during the Assembly Session is that Members do not get sufficient time and opportunity to scrutinize things and go into the details of various matters which are placed before them. I think the main function of the Standing Finance Committee is to say as to whether a new expenditure should be sanctioned or not. To do that satisfactorily, they must be given proper opportunity to go into details.

Then, Sir, I do not think it is necessary for the Government to try to have a majority of members on the Committee who would suit them, because it only shows that their case is not strong and they have no confidence in themselves.

The Honourable Sir Jeremy Raisman: We have no majority.
Sir Muhammad Yamin Khan: It is always the duty of the Government of the day to satisfy the Opposition. The least the Government can do is to take the Opposition into confidence, for in their very criticisms they may be of help to Government.

I do not want to come up and discuss the remarks which have been made by one Honourable Member that there should be no distinction between the nominated and elected Members. But, Sir, it is not we who are making the distinction. It is they who are demonstrating that there is a distinction between the nominated and elected Members. It is the every-day show which they have exhibited by going into the lobbies with the Government where their own interests have suffered. I know, Sir, that some Members may say that they are here to represent their community.

Kunwer Hajee Ismael Alikhan (Nominated Non-Official): I want to raise a point of order. Is this the proper occasion to discuss the conduct of the nominated Members?

Sir Muhammad Yamin Khan: I know my Honourable friend may like to say that some people represent certain communities or interests.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot make such reflections. They are entitled to vote in any way they like.

Sir Muhammad Yamin Khan: Every Honourable Member is entitled to vote as he likes. But I am saying that there is a distinction. Can we ignore the facts as they prevail? I would have been pleased if those Members who represent certain interests did come and were taken into confidence. At least they could have shown where their interests lie. I think this is the time that Government should not be very anxious to have these committees composed in such a manner that they have a substantial majority in their favour. We want people who do not ditto the head of the Department. In that way they will be helping the Finance Department. We want men on the Committee who can say no, no matter who is the head of the Department on the Committee. We do not want mere 'yes' men. If the Committee is composed of such men it will function to some useful purpose.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already said that.

Mr. D. K. Lahiri Chaudhury (Bengal Landholders): I on behalf of my Party wish to say that at present we are not interested in the composition of this Committee, but I wholeheartedly endorse the views expressed by my friends. I think the appointment of such committees will serve no useful purpose.

Mr. N. M. Joshi (Nominated Non-Official): I support the suggestion of my friend, Dr. Banerjee, that the function of this Committee should be enlarged. I feel that the Standing Finance Committee should be in a position to examine all the new proposals of the Government of India, whether they are votable

[Mr. N. M. Joshi.]

items or non-votable items. It may be that the House has not the power to vote upon the non-votable items but the House certainly has a right to consider and express an opinion on those proposals which are non-votable. I therefore feel, Sir, that the function of this Committee should be enlarged. At the same time I feel that my Honourable friend, Dr. Banerjee, the Knight from Meerut and the Congress representative, Mr. Lahiri Chaudhury, were not quite fair to the nominated Members.

Sir Muhammad Yamin Khan: Ignoring yourself.

Dr. P. N. Banerjee: You are an exception.

Mr. N. M. Joshi: I do not wish to be an exception. The House as it is constituted has a certain number of nominated Members. They are a part of this Legislature and it will be wrong for any party to deprive those people of their rights which are given to them by the constitution. There is nothing in the constitution by which a nominated Member is obliged to go against his conscience.

Dr. P. N. Banerjee: But do all the nominated Members realise that?

Mr. N. M. Joshi: I would like to ask a counter question. Do the elected Members always realise that they ought in this Legislature to vote according to their conscience? So long as party systems exist in politics, no member belonging to a party can always follow his conscience. I know it is open to a Member

(Interruptions from several Members.)

Mr. President (The Honourable Sir Abdur Rahim): Let the Honourable Member go on without interruptions.

Mr. N. M. Joshi: So long as there are nominated Members, they cannot be deprived of their rights. Secondly, the number of nominated Members as compared to the number of elected Members is such that the elected Members can always prevail if the latter only stand together. The real difficulty is that they do not stand together. They are divided. Otherwise they can form a sufficiently large bloc to see that their opinions are carried. I would suggest, therefore, to the elected Members and those who claim that only elected Members should have the power to vote, instead of allowing some of their Members to act, perhaps under undesirable influences

Sir Muhammad Yamin Khan: Should Government take advantage of this?

Mr. N. M. Joshi: I would like to ask Sir Muhammad Yamin Khan whether he was himself at any time a nominated Member and whether he allowed himself to be influenced by any undue influence?

Sir Muhammad Yamin Khan: No. I refused to take the whip from the Government Whip.

Mr. N. M. Joshi: I would suggest to him that in

Mr. President (The Honourable Sir Abdur Rahim): This kind of controversy must not go on.

Sir Muhammad Yamin Khan: I informed the Honourable Member that when the whip was brought to me I refused to take it and I deliberately voted on matter when the

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has no reason to make reflections on others.

Mr. N. M. Joshi: I, therefore, think that the Government of India should increase the function of this Committee and that the nominated Members should have the right to vote as they have had.

Mr. D. K. Lahiri Chaudhury: On a point of personal explanation. I never made mention of any distinction between the nominated and the elected Members.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already spoken. He cannot speak twice.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I have served on the Finance Committee for the last 16 years under four different Finance Members and I may just say what I feel about the Finance Committee.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. There is too much noise in the House.

Dr. Sir Zia Uddin Ahmad: Really speaking, the Finance Committee is the second line of defence of the Finance Member. The first line of defence is his own Department. We get demands from various departments of the Government of India and every department tries to please the Finance Member to get the maximum amount from him. Then his first line of defence is his own Department and the second line of defence ought to be the Finance Committee, and this has been the practice of the predecessors of the Finance Member. Then we were supplied very full desiderata for the demands made by various departments. It is supposed to be a settled fact between the Finance Department and the Department who is making a demand, and if we differ it is really a fight between us and the Finance Department. These are the things which we do not like and, therefore, the Standing Finance Committee ought to be treated as a second line of defence by the Honourable the Finance Member. We should support the Finance Member in the Finance Committee in saving him from that anxiety. That is my complaint. The question of voting does not arise at all, but it is a question of advancing arguments by those who are present in a particular Committee.

The Honourable Sir Jeremy Raisman: Sir, I have been interested to hear the remarks of various Honourable Members on this motion. Professor Banerjee, I may say, merely repeated what he said on this subject on a previous occasion and he raised the same points to which I had previously replied in some detail. The history of the Standing Finance Committee and of the scope of its functions is fully given in a memorandum which was laid before the Committee on the 21st January, 1937, and was approved by it. This memorandum shows clearly what was the scope laid down for the Committee at various stages and why that was modified in the light of actual experience. Now, Sir, I shall have a little more to say on that in a few minutes, but I would like to touch on some of the points which have been raised by Honourable Members. Sir Muhammad Yamin Khan complained about my fixing the meetings of the Standing Finance Committee during the Session and he said that that put extra work on members of the Committee. Well, I would like to point out that during the same Session, in addition to having to attend to my duties in this House and to supervise the preparation of materials for this Committee and to attend the meetings of this Committee, I also have a few trifling duties to perform in connection with the finances of this country. If there is going to be any complaint of overworking, I think, I should come first on the list. I think Honourable Members might consider the convenience of the Government Members, particularly of those of us who are heavily worked. It is from the point of view of an attempt to secure a convenient despatch of business in consideration of my own personal programme as well as that of other Members that we do endeavour to fix these meetings during the Session. My Honourable friend knows as well as I do that many members of this House are so busy that they will not lightly undertake to serve on a Committee which may be called together at various times of the year. If they know that an attempt is made to economise in time and they are not unnecessarily called on to move to and fro between Delhi and their constituencies, they may be, I hope, more disposed to agree to serve on Committees of this kind. I think it is most undesirable

Sir Muhammad Yamin Khan: Can't it be done a few days before?

The Honourable Sir Jeremy Raisman: I think it is most undesirable that the Committee should be composed entirely of members who have more leisure than others. I think, we should endeavour to get members on the Committee who are most interested in the functions which the Committee has to perform. These functions are extremely important. The other day when we had a debate on the constitution of a new Committee—an Economy Committee—I was thinking to myself, why is it that the Standing Finance Committee cannot or is not regarded as adequate to carry out those functions? After all, it is essentially a Committee which should carry out those functions.

Dr. P. N. Banerjee: Expand the functions.

The Honourable Sir Jeremy Raisman: I shall come to that in a moment.

I am quite prepared to endeavour to give this Committee more time in which to deal with the programme of work placed before it. I am also prepared to endeavour to put a good deal more before this Committee if this House will take this Committee seriously. Then I am quite prepared to consider putting before it material other than the mere prepared schemes of the Departments. For instance, a good deal was said in this House the other day about the question of corruption, a good deal was said about the question of waste. I pointed out to the House that it is extremely difficult to lay upon the already over-worked Departments the duty of preparing memoranda and information in different forms and so on. It has always to be given to the same handful of men who have something more important already on their hands. I know how heavily worked they are. At the same time I myself am very anxious to get the views of the Members of this House on these questions. I would like to consult a Committee of this House on the question of corruption. I would like to have their suggestions, practical suggestions in order to deal with this situation. I would also like to do that without laying additional burdens on the already over-worked Departments. Similarly, I would like to discuss with Members of this House round a table their suggestions for dealing with waste and so on. I am anxious to have the assistance of Members of this House who come in contact with people all over the country and who hear their complaints regularly. I would be very glad to be able to receive suggestions constantly from Members of this House. I do not see any reason whatsoever why the Standing Finance Committee should not be able to perform functions of that kind. If it is not able to perform functions of that kind, then for Heaven's sake let us dispense with it altogether. Why should we have innumerable committees to cover more or less the same ground? I am prepared to have a Committee of this House to assist in dealing with the control of expenditure, and also to consider means for counter-acting corruption and suggestions for controlling waste. I do not see anything sacrosanct in the name of the Standing Finance Committee. It is not a matter of name only, the important matter is to secure economies and to control expenditure. I see no reason whatsoever why this should not be approached from a common-sense point of view. And in response to what my Honourable friend, Mr. Joshi, suggested I am quite prepared to consider at the present time the question of consulting this Committee on wider questions whether relating to votable or non-votable expenditure. I am quite prepared to do that. I do not mean that we should put before them in the ordinary way detailed proposals regarding, for instance, defence, or other non-votable expenditure of that kind, but I am prepared to consult them on general aspects of this question of the undesirable features which are generally alleged to have grown up in regard to Government expenditure, whether in the War Department or Supply Department or the Food Department. I shall be glad to receive suggestions from Honourable Members as to how evils and abuses which are alleged to exist can be practically dealt with. I wish the House to realise that I am prepared to consult this Committee in that way and I should like the House in electing Members of this House to have that in view.

Sir Muhammad Yamin Khan: That cannot be done.

The Honourable Sir Jeremy Raisman: I do not know why Sir Muhammad Yamin Khan says that cannot be done. I call that a pre-judged decision merely because he has made up his mind . . .

Sir Muhammad Yamin Khan: No, Sir.

The Honourable Sir Jeremy Raisman: I cannot see any reason why a committee of this House which is elected by this House when it has certain duties in mind cannot do anything . . .

Sir Muhammad Yamin Khan: Different duties. We wanted something else.

The Honourable Sir Jeremy Raisman: A committee of this kind can both carry out the functions which it has normally carried out in the past, that is, it can scrutinise programmes prepared by the departments for expenditure on particular proposals, on particular schemes as it has done hitherto. In regard

to that, I may say that I am prepared to endeavour, so far as I can, to allot somewhat further time so that discussions on those proposals or schemes can be somewhat more leisurely and unhurried than it may have been in the recent past.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Can we discuss subjects which are not on the agenda?

The Honourable Sir Jeremy Raisman: I am prepared to have a meeting of the Committee to discuss the scope of the functions which it might usefully carry out, in addition to the functions which have hitherto been allotted to it,—to discuss with it the scope of the functions which it might usefully carry out during the war and in relation to the present situation. I am prepared to discuss with the members of the Committee what we could endeavour to do. If we can arrive at a satisfactory conclusion on that matter I would endeavour to use the committee in that way.

Sir, I am glad that my Honourable friend, Mr. Joshi, defended the nominated Members in this connection. What I would like to say is this. During the five years in which I have presided over this Committee, I cannot remember a single occasion on which nominated Members have obstructed in any way the desire of the elected Members in relation to proposals placed before this Committee. My recollection is that after discussion . . .

Dr. P. N. Banerjee: But they have always voted with you.

The Honourable Sir Jeremy Raisman: It is not a question of voting. My recollection is that there has never been an occasion on which there has been an actual division. The most that I remember is that there have been occasions on which certain Members said that in certain matters not directly related to the functions of the Standing Finance Committee they wished it to be recorded on grounds of general policy of the Party or Group to which they belonged that they could not subscribe to this or that. That is, as far as I remember, the most that has ever happened. There has never been a division and actually there has never been a taking of votes as far as I remember.

Dr. P. N. Banerjee: Expression of opinion.

The Honourable Sir Jeremy Raisman: Whenever there has been a difference of opinion—it is rare, it is very rare, but when a particular member or two or three members wished to record a difference of opinion, we have said, "The Committee by a majority", but that is most unusual. Generally speaking, the Committee has functioned in a perfectly harmonious and satisfactory manner. In short, there has not, in my recollection, been any question of a difference of view as between elected and nominated Members.

I welcome the remarks made by my Honourable friend, Dr. Sir Zia Uddin Ahmad as regards the functions of this Committee in assisting the Finance Department *vis-a-vis* the other departments. It is true that in so far as the function of the Committee is the scrutiny and control of proposals for expenditure, their function is the same as that of the Finance Department. If I have at times intervened in order to explain proposals it is because I have previously satisfied myself on a scrutiny of the proposals that the proposals were such as should be accepted by the Department. After all, it may be that the Finance Member may allow proposals to come before the Committee which he himself is not prepared to accept, and he may seek the assistance of the Committee in negating proposals which he does not like. It is possible that that has happened in the past, but I am not sure whether that procedure is not a trifle disingenuous. I must admit that if the Finance Department have accepted a proposal my practice has been, unless some new consideration has emerged in the course of the discussions, to support the proposal on the ground that the Finance Department has already indicated its view in the matter, and I know of nothing less admirable than hunting with the hounds and running with the hare.

That is all I have to say. I would repeat that I should like the House to endeavour to treat this Committee as a very important body for the purposes which have been discussed here in this House.

Sir Muhammad Yamin Khan: Not for the purposes for which the cut was carried here. We do not agree. ^

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to the election, for the financial year 1944-45, in such method as may be approved by the Honourable the President, of a Standing Finance Committee of the Assembly not exceeding fourteen in number to which shall be added a Member of the Assembly to be nominated by the Governor General. The Member so nominated shall be the Chairman of the Committee."

The motion was adopted.

ELECTION OF MEMBERS TO THE STANDING FINANCE COMMITTEE FOR RAILWAYS.

The Honourable Sir Edward Benthall (Member for Railways and War Transport): Sir, I move:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, eleven members to serve on the Standing Finance Committee for Railways for the year commencing 1st April, 1944."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, eleven members to serve on the Standing Finance Committee for Railways for the year commencing 1st April, 1944."

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): I find that whenever any question regarding amenities of passengers, particularly third class and intermediate class, is raised in this House, the official reply is that the matter should be referred to the local advisory committee. Now, this committee is the supreme body.

Mr. President (The Honourable Sir Abdur Rahim): The present motion relates to the Standing Finance Committee.

Maulvi Muhammad Abdul Ghani: The Finance Committee controls the finance. I want to draw the attention of the Government to the fact that the various local advisory committees do not meet often or if they do . . .

Mr. President (The Honourable Sir Abdur Rahim): That does not really arise on this motion.

Maulvi Muhammad Abdul Ghani: Very well, Sir. I will speak on the next motion.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, eleven members to serve on the Standing Finance Committee for Railways for the year commencing 1st April, 1944."

The motion was adopted.

ELECTION OF MEMBERS TO THE CENTRAL ADVISORY COUNCIL FOR RAILWAYS.

The Honourable Sir Edward Benthall (Member for Railways and War Transport): Sir, I move:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, six non-official Members to serve on the Central Advisory Council for Railways for the year commencing 1st April, 1944."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, six non-official Members to serve on the Central Advisory Council for Railways for the year commencing 1st April, 1944."

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): Honourable Members of this Advisory Council are *ex-officio* members of the various railway advisory councils. I find that they do not meet as many times as is required in order to discuss the question of amenities to the railway passengers. I trust that in future the members of this committee, when attending the meetings of the local advisory councils, will impress upon the various Railway administrations the necessity of holding meetings of the local advisory councils very often and to transact business relating to the amenities of passengers.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): I have very few words to say on this motion. I feel that the constitution of this advisory committee and the functions thereof were framed very very long time ago. I think the functions ought to be enlarged, so that we may also consider some

other matters. For instance, we are not allowed to speak or make suggestions with regard to corruption and also with regard to certain grievances of the staff and several other questions of that nature. Therefore it is necessary that the functions should be reviewed and enlarged.

The Honourable Sir Edward Benthall: In regard to the first speaker, he said that members of the Central Advisory Council were *ex-officio* members of the local advisory councils. That, of course, is not the case. They are elected by the Central Advisory Council. The second suggestion I understood to be that the local advisory council should meet as often as possible. The question of how often they should meet was discussed at the last meeting of the Central Advisory Council and it was agreed that we should make recommendations to the local advisory councils to meet, I think, at least once in two or three months . . .

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Every three months.

The Honourable Sir Edward Benthall: At least every three months. As regards the second speaker who referred to the functions of the Central Advisory Council, one Honourable Member of this House suggested last year that the Central Advisory Council was not performing any useful functions and should be abolished. We took that to heart and looked into the question and decided to try and place more business before the Committee, who, quite frankly, seemed at one time to be more interested in election to the local advisory councils than anything else. Since then we have put more business before the Central Advisory Council. They have discussed the passenger question and I have no doubt we shall discuss it again and I am quite willing to enlarge the functions . . .

Mr. Lalchand Navalrai: Functions of the Advisory Committee also? The General Manager disallows many questions.

The Honourable Sir Edward Benthall: As I was saying, I am quite prepared to enlarge the functions of the Council and to place before it other matters such as anti-corruption, on which its views will be valuable.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I thank the Honourable Member for his promise to enlarge the functions of the Advisory Council. I request him to consider this question as well. Whenever he had in contemplation the increase of railway fares . . .

Mr. President (The Honourable Sir Abdur Rahim): You cannot make a speech on that now.

Dr. Sir Zia Uddin Ahmad: This thing ought to have been discussed in the Central Advisory Council.

Sir Muhammad Yamin Khan: It was discussed and rejected.

The Honourable Sir Edward Benthall: The Honourable Member cannot complain that it was not discussed.

Dr. Sir Zia Uddin Ahmad: About the purchase of railways. This matter has been placed before the Standing Finance Committee but the question of the rates at which . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot raise all these questions now.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): He is only asking questions.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, six non-official Members to serve on the Central Advisory Council for Railways for the year commencing 1st April, 1944."

The motion was adopted.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

The Honourable Dr. B. R. Ambedkar (Labour Member): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects, with which the Labour Department is concerned."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects, with which the Labour Department is concerned."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform Honourable Members that the following dates have been fixed for receiving nominations and for holding elections, if necessary, in connection with the following Committees and the Council namely:—

	Date for nominations.	Date for election.
1. Standing Finance Committee	20th March, 1944	22nd March, 1944
2. Standing Finance Committee for Railways	Do.	Do.
3. Standing Committee of the Labour Department.	21st March, 1944	23rd March, 1944
4. Central Advisory Council for Railways	23rd March, 1944	26th March, 1944

The nominations for all the three Committees and the Council will be received in the Notice Office upto 12 Noon on the dates mentioned above for the purpose. The elections which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote will be held in the Assistant Secretary's room in the Council House, New Delhi, between the hours of 10-30 A.M. and 1 P.M.

THE INDIAN FINANCE BILL.

The Honourable Sir Jeremy Raisman (Finance Member): Sir, I move:

"That the Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1944, be taken into consideration."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That the Bill to give effect to the financial proposals of the Central Government for the year beginning on the 1st day of April, 1944, be taken into consideration."

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot: Non-Muhammadan Rural): Sir, before I go into the merits of some of the proposals in the Finance Bill and some of the matters raised by the Finance Member in his Budget speech, I would like to say a few words about my friends, from among whom I have been released just recently. I refer to the lot of the detenus.

May I, Sir, raise a point of order that Members in charge of all the Departments should be present in the House to take note of the points raised by the Honourable Members when the Finance Bill is discussed?

Mr. President (The Honourable Sir Abdur Rahim): It has never been the practice and it is not practicable. They have other business to do. But the Departments concerned are represented, I believe.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Is the Home Department represented here?

The Honourable Sir Jeremy Raisman: The Home Department is not represented here, but we shall endeavour to take note of the points mentioned by the Honourable Members and pass them on to the Honourable the Home Member.

Mr. T. S. Avinashilingam Chettiar: Thank you. I do not like to refer here to the unfortunate deaths of many of our friends while in detention. I shall not refer to the death of the late Honourable Mr. Satyamurti, who used to figure so prominently in this House. If you know the facts about his detention, you will conclude that the treatment given to him was callous. Many persons who were hale and hearty and whom we expected to live for years have died in detention. Many of those who have died outside have died for the reason that the Government did not want them to die inside the jails, as they were released, having made sure that they will die a few days after. That is a matter which, I believe, has been raised once before in this House.

Dr. P. N. Banerjee: It was raised several times before.

Mr. T. S. Avinashilingam Chettiar: But the matter which I want to raise today relates to the effects of the latest Ordinance issued by the Government of India. The latest Ordinance says that to every detenu the charge-sheet against him should be given and he should be given an opportunity to reply to that charge-sheet. This House will be surprised to hear about the flimsiness of these chargesheets. May I give you a few samples of the charge-sheet that are being given to them and of the charges that have been levelled against them? The charge against one of them is that he has been a member of the District Congress Committee and of the Taluk Congress Committee, which to this day have not been banned as illegal. In the case of another person the charge has been that he has been a Vice-President of the District Board and that he asked the schoolmasters and mistresses to sing national songs. Against some others, the charge is that they have been members of the All-India Congress Committee and no charge has been mentioned that they have done any overt act of sabotage or any other illegal act. You will be surprised to hear that some people who were in jail long before August 1942 and were released in December 1942 were arrested again and brought to detention camps. We were surprised and did not know what they could have been detained for. Now, the charge-sheet against one of them shows that he was conducting classes within the jail as if that is a charge for which he can be detained. Even the Defence of India Act, as far as I know, does not make the conducting of classes within jails an illegal matter. Another charge was that they made plans within jails to start illegal movements when they went outside the jails. Some of the charges are that they have been responsible for wire-cutting. Charges have been framed without any trace of evidence that a man has been responsible for wire-cutting and he is asked to defend himself. What more defence can any detenu put up than to deny it? There is no evidence of any kind for the allegations and I am yet to see what those gentlemen, who have been appointed to review these cases, will do.

Then, there is another set of cases which have been brought against certain persons. You know about the famous acid throwing case in Madura. Some persons have been convicted and some persons have been acquitted. The Judge has found that they were not responsible for these occurrences. But what happens is this. The Judge acquits a person; but as soon as that person steps out of the court, immediately he is arrested and brought under detention. Although the Magistrate has acquitted them and the Judge has acquitted them, the charge of the police in these charge-sheets is that they have been responsible for those cases, and on that ground they have again been detained in jail. There is another set of cases. Some people happened to be rich and they have not done any overt act, but the police had a grouse against them and they have also been detained. The charge-sheet against them is that they have financed the Congress. You can examine their accounts and you can produce evidence, if necessary, but nothing of the sort has been done. Simply two lines are written: 'You have financed the Congress illegal activities.' These are some of the samples of these charge-sheets.

There is a friend of mine, who is the Chairman of the Madura Municipal Council and he caused notices to be printed and distributed that acts of sabotage and violence are against the principles of Mahatma Gandhi, but he has also been placed in detention. So, the charge-sheets that have been framed against these detenus show conclusively how flimsy they are and many of the reasons for which they have been detained are not sufficient grounds for their detention. Not only that, nothing can be proved against them. They are very hazy and one-sided assertions for which there has been no proof whatsoever and no proofs have been adduced. It is rather strange that in Madras alone there are still about 400 such people who are now under detention. And this detention is for an indefinite time. You may say that detention today is only for six months. But nothing prevents the executive from renewing the order after six months. So, this legal quibble that it is only for six months does not change really the status of detenus within the

[Mr. T. S. Avinashilingam Chettiar.]

jail. Whatever the circumstances may have been in August 1942, the people were panicky, the Government were more panicky, there was great commotion, the people were put in prison on mere suspicion. Whatever may be the merits of the grounds then, those circumstances have entirely disappeared now. The circumstances have changed, the atmosphere has changed. There is no longer any ground to keep these people in detention continually for much longer period than they have been kept already. I do not like to say anything more about the case of detenus except to state that the Defence of India Act and Rules have worked havoc not only on detenus but on people outside. In fact it has made the whole of India a close prison and in no town or village can any public meeting be held without the permission of the District Magistrate. My Honourable friend, Mr. Joshi, for whom I have great regard, told the House the other day that even a Committee of sixteen of the Civil Liberties Union could not meet in Bombay without the permission of the Commissioner of Police. Are we in martial law days? I have not had any experience of martial law regime. My Honourable friend, Sardar Mangal Singh, may have some experience. But this much I know that public life at the present day is impossible, and civil life is made intolerable. Today under the present Defence of India Act India has become a veritable prison.

Now, Sir, I wish to ask the Government one question. The A.I.C.C. was declared an illegal body. The working Committee of the Tamil Nad Congress Committee was declared an illegal body. Are they illegal for a time or are they declared illegal for all times. No time limit has been placed upon this illegality. Now that the circumstances have changed, is there any harm in Government lifting the ban on these bodies so that they can meet and consider the present political situation.

I now come to the most important problem of the day, namely, food. I was surprised and I was also sorry at the question which my Honourable friend Sir Frederick James put to the Government the other day which was answered as a short notice question. The Government usually do not care to accept short notice questions from this side of the House even on very important matters. But between cousins, it is easier. It was a short notice question which Mr. Tyson answered and the question was about the number of deaths that happened in Bengal. If 10 days notice had been given for the question, it is not going to create one more death. That does not matter and I welcome the opportunity of getting information earlier. But, Sir we believe it was a collusive act between the Government and the European group. It is in the air that a large number of deaths took place, i.e., nearly five millions, due to this famine. The Government want to counteract the propaganda which these figures do and to whom should they look for help except to the Members of the European Group and the short notice question is the outcome. I would like to quote an *ex-Member* of the Government of India who had defended the Government so well in his days. I refer to Sir Nripendra Sircar. I believe the Government will give due weight to what he says? This is what he says:

"Mr. Amery told the House of Commons that his estimate of death from starvation for the Province was a thousand per week or more. Within a week he changed his statement to about the same figure for Calcutta alone. In the meantime the censor, not unduly lenient to the Press allowed the statement to be published from responsible persons putting the estimate at even 50,000 per week."

He does not suggest categorically that it is 50,000 per week. He is too careful for that, but he does suggest that the death is somewhere about that figure. Unofficial opinion thinks that the total death is about five millions, or fourteenth of the population of Bengal died of starvation. I ask you, Sir, whether the Government could not have foreseen this food shortage. Here again he writes:

"The radio at one time tried to impress on the public that a very small fraction of the total consumption of rice used to come from Burma."

People warned the Government of India that if Burma was lost, there is going to be a shortage of rice. They pooh-poohed it:

"But later on the same machinery proclaimed that one of the main causes of the present distress was the loss of Burma rice through Japanese occupation. The shortage which was originally denied, by a process of evolution developed into 'somewhat considerable' and lastly 'acute'."

May I know whether the Government of India could not have foreseen that after the loss of Burma, we are bound to find food shortage and could not the Government have arranged for the shortage? The better class rice was being exported from Bengal, when we were being told that no more rice would be exported. The death of these five million people must be put down to the carelessness and recklessness of the Government of India. Now, Sir, I do not want to stop with my reference to Bengal alone. I know Malabar is in the grip of an acute famine. The people are living on such poor diet in Malabar that any day an epidemic will find a welcome refuge there and thousands will die on the first outbreak of an epidemic. I was told by the workers who went there for cholera relief who visited Calicut and other places that though it was given out that people died of cholera, yet it was not actually so, but that people died of starvation. Nearly 50 thousand people died in one district alone.

Now coming to one of the districts of Tamil Nad where there is not supposed to be acute shortage, I found that the poorer classes and the working classes were very badly off. They are living on less than half their usual diet. If this state of affairs were to continue, I am afraid influenza epidemic might break out and just as in the last war, it may take a heavy toll of life. The Government of India should take adequate steps to provide food for the civil population also. It is not merely the military that has to be fed. I was told sometime ago that when the military released some foodstuffs for civilian consumption, a friend of mine from Bombay told me that the wheat was unfit for human consumption. We do not want that the military should release wheat at this stage of decay of the product. If we want that these people should continue to live, we must take adequate steps soon. To my Honourable friend, the Honourable Dr. Ambedkar, who is a champion of the cause of the working classes, let me point this out. The people who suffer today are not the richer classes but it is the poorer classes. It is up to us to see that the poor do not suffer.

And now, Sir, I come to the next thing: Meat and milk. I have read from the report of a speech of the Commander-in-Chief in the other House 1 P. M. that there are lots of cattle available in this country, that meat which is supplied to the army is only from cattle which are not useful as milch cows and those which are old. This is all talking in the air, if I may use that word. Those people who know how cattle are being slaughtered today for the military, know that it is not only the unfit cattle that are being killed, it is not only the unyielding cows that are being killed, but the most productive ones. I want to tell you just something which has recently happened near my district. There was a big *shandy* and two bulls, like elephants, were brought there for sale. The owners asked for two thousand rupees, but the bid was not exceeding one thousand five hundred. A military lorry came along and there were some soldiers in it. One of them gave twenty notes and purchased them. He tried to make the bulls get into the lorry but as bulls are not used to this sort of transport they would not easily go into the lorry. Do you know, Sir, what he did? He took his revolver, shot the two bulls and took them away. Is it what you call preserving good bulls for the country; is that the way in which bulls which are unfit for use are being slaughtered? Certainly not. It is unfortunate that in this country that the interests of army which is supposed to look after the interests and safety of the country and the interests of the people are considered separate. In trying to feed the military they do not care a hang for the good and welfare of the civilian population. This is what people have seen and reported. If this is the condition, Sir, I request this House not to believe in the verbose statements which they make here that meat is being prepared only of animals which are not fit for work and meat is being prepared out of cows which do not yield. It is all wrong; to say so is uttering a lie, if

[Mr. T. S. Avinashilingam Chettiar.]

I may use that word. If they are interested in the agricultural population, if they are interested in the wealth of this country let them see that India is not denuded of its cattle for a purely temporary purpose.

I do not like to deal exhaustively with the price controls adopted by the Government. I have spoken about it on another occasion and others may speak about it in greater detail, but I would like to make one observation. The Honourable the Commerce Member defended his price control machinery very vehemently, but he did not deny the one statement that I made, and many others also made, that price control has driven the things into black market. He did not deny it and did not offer any solution for it. But there it is. By price control things have been driven into the black market and the effect of price control has been that it has helped the richer and the more influential people and the poor man has gone to the wall. I want him to consider these matters and to evolve a plan by which he can get the co-operation of the public of this country and see that the price controls really do help the poor; the purpose for which it is intended. Even things like fire-wood in places like Madras, Coimbatore and many others, have, shall I say, disappeared. People do not get even firewood. Rich people, of course, get it, but I know many families who have not been able to cook their meals in their own houses for weeks together and they have to get something from hotels. This is a point which the Honourable the Commerce Member should take into consideration and he should evolve a plan so that price control may become effective.

Now, Sir, I come to inflation. The Finance Member in his speech has dealt with inflation.

An Honourable Member: He is not here.

Mr. T. S. Avinashilingam Chettiar: But it is the ruling of the Chair that he need not be here.

Now, Sir, I do not refer to the big borrowing programme which he has referred to on page 17. I would like to refer only to something which is said on page 16. The Government has now come to the conclusion that small borrowing programmes could be run through commission agencies. I have heard of merchants pushing their sales through commission agents; I have heard newspapers and magazines asking for agents who would sell their papers on commission, but I have never heard of a Government trying to collect money through commission agents. Sir, on page 16, it is stated:

"A scheme has been evolved which provides for the employment of authorised agents on a commission basis whose function will be to collect money for investment from villages, purchase certificates on their behalf and deliver them in the villages."

Sir, the Honourable the Finance Member has come and so I would like to repeat a few words. The Government in trying to attract investors have, like ordinary businessmen, tried to appoint commission agents, and here is what he has said on page 16:

"A scheme has been evolved which provides for the employment of authorised agents on a commission basis whose function will be to collect money for investment from villages. . . ."

This is what is called entrusting the lambs with the wolves. Today they are collecting subscriptions. Sir, I know that at least there are three cases against Tehsildars and Sub-divisional Officers pending in my district alone on the charge of corruption. And what is the corruption? Receiving the money for war funds and not crediting it to the Government; they retain the money by way of commission, I suppose. This commission scheme has legalized the corruption. What I am trying to point out is that in our country it is a tyranny of the worst type—I know it; I have experienced it. People have been whipped. These Tehsildars and Deputy Sub-divisional Officers go to the villages and insult men and women, they threaten them in all sorts of ways, they take money from them and do not give any receipts. Half the money goes to them and many of them have become masters of lakhs in this way. If we know only a few cases that come up the surface it does not mean that these are the only people who

are corrupt; it only shows that there are many more who are doing the same thing. Through this agency of rapacious collectors—equal only to those of the East India Company—you have added another set of officers who have got the sanction of the Government behind them and who go and ask people to give ten, twenty or fifty rupees—as they please. You know the state of the poor villagers. Those on Government Benches have often said that these poor villagers do not understand their own affairs. And the Finance Member says that authorised agents of Government will purchase certificates on their behalf and deliver them in the villages. What onerous work! I tell you that nothing of the sort will happen. Ten per cent. will go to the villagers in certificates and ninety per cent. will be swallowed up by these agents. I am not saying this in any sense of hubble-bubble. I talk from experience. I talk from facts in my personal knowledge. This will be the greatest tyranny that you could impose on the people of this country to-day.

I am very sorry, Sir, that the Government should resort to this very unhappy and low method, low because it will lead to the most unfortunate consequences.

Now, Sir, I come to the next item which the Finance Member has mentioned in his speech to avoid inflation, and that is the sale of gold. We do recognise and we approve that gold can be sold as an anti-inflation measure, that the Indian villager has an attraction for gold and silver which will make him invest his money thereon. If the Government of India had taken measures to purchase gold from the United States of America or the United Kingdom and sold it in India at the proper price, we would have no grievances. We would support it. But what have they done? They have done a most wonderful thing which no decent Government can do. They have invited the United States of America and the British Government to bring their gold here and sell it in India. Through whom? Through the instrumentality of our Reserve Bank of India. And at what price have they bought it and at what price are they selling it? I am subject to correction. I will be glad if I am corrected. They have bought it at Rs. 45 an ounce—the price level in England and America was Rs. 45 an ounce—and that gold they have imported into India and with the connivance of the Government of India and through the help of the Reserve Bank of India they have sold it in India at Rs. 85 an ounce. Am I correct?

The Honourable Sir Jeremy Raisman: No. The gold is being sold at Rs. 71. That has been so for some time.

Mr. T. S. Avinashilingam Chettiar: Thanks for the correction.

Now, will any Government allow any article bought at such a low price as Rs. 45 in England and America to be brought here and after giving their own machinery, i.e., the machinery of the Reserve Bank of India, allow them to reap a profit of Rs. 30 on an ounce? It is rank robbery sanctified by the Government. Even if it were a private agency, the Government that has controlled the sale of other things could also control the sale of gold in the interests of India. I do not know, I shall be gratified if the Finance Member will tell me how many million ounces of gold have been sold in India in this way.

The Honourable Sir Jeremy Raisman: I shall not.

Mr. T. S. Avinashilingam Chettiar: He dare not tell me. He will be ashamed to tell me because it is a matter for shame that he has allowed this to be done and he shall not allow himself to be exposed.

The Honourable Sir Jeremy Raisman: No question of shame. It is a question of not playing into the hands of various operators.

Mr. T. S. Avinashilingam Chettiar: If you had been honest you would be prepared to say it. When you accept that the price of gold in England is Rs. 45 an ounce and sell it here at Rs. 71, there is nothing wrong in telling us how many millions of ounces of gold have been sold to the Indian people up to date. I believe that many crores of Indian money have gone in that way. But the Finance Member came forward with a wonderful argument for it. He told us how to avoid inflation. Inflation means a greater amount of money in circulation than is needed and the greater the amount that is withdrawn by the sale of gold the better it is for the country. I think he is sorry that it sold at Rs. 71.

[Mr. T. S. Avinashilingam Chettiar.]

Perhaps he would like it better if it had been sold at Rs. 91. By that way a greater amount of money would have gone out of the country.

Now, Sir, I come to the next question with which this is immediately connected, and that is the sterling resources. Before coming to that I would like to meet an argument which the Honourable Sir Jeremy Raisman raised while replying to the question on the sale of gold. He said that the United States of America and the Government of the United Kingdom were purchasing things at a very high price in India and that when they are buying at a very high price why should you not pay them at a high price. I think that is not true. Every article bought for the Government of the United Kingdom and the United States is bought at a controlled rate. May I say that every article supplied to the British Government has been at controlled prices, controlled by the Government of India? The maximum price of jute goods has been controlled. Steel is sold to His Majesty's Government and pig-iron also at pre-war prices with an allowance for increased cost of production. Shellac is sold to America at controlled prices. The whole story can be repeated for mica, manganese, skins and hides, boots, shoes and clothing. It is well known that from the start of the war the Supply Department through its contacts and otherwise has controlled these prices for the benefit of every nation except our own.

Mr. N. M. Joshi (Nominated Non-Official): What is that book from which you are reading?

Mr. T. S. Avinashilingam Chettiar: It is the presidential address of Sir Muthia Chettiar and I quote it for the facts stated there:

"The attitude of the Government is that it does not matter, . . . so long as they get these articles at a very much lower price for the Government of India's own requirements and for the requirements of the United Kingdom and every other allied country."

When you have controlled the price of the articles which have been purchased for the United Kingdom and the United States of America what right have you, Sir, to allow them to sell gold at a price like this and to come to this House with the argument that because they have paid a high price for them you should pay more? I am sorry that an argument like this has been adduced and could have been adduced before this House.

Now, Sir, I come to the problem of the utilisation of the sterling resources. This has again been dealt with by my Honourable friend the Finance Member on pages 17 and 18. By the end of March 31 this year, he expects it to be 950 crores.

I will deal with the liquidation of sterling debts in England, and also with the sterling resources. These sterling resources are growing. Now, Sir, this is a very important matter which is engaging the attention of the Government of India and the people of India and all those who are interested in the welfare of the people of this country. I would like to know from the Government of India in this connection as to how they are going to use these sterling resources. There are international payments. I think, five things are likely to happen to these sterling resources. Attempts may be made, if I may say so, to write off these sterling resources. Last time after the war it happened like that and two hundred crores of Indian money was written off as donation. Secondly, it is likely to happen just as it happened after the last war that certain obligations may be repudiated. In many of the British newspapers, particularly the *Manchester Guardian* and the *Economist* some articles have appeared from private individuals saying that these amounts are really to be considered as contribution from India for the war. Unfortunately, for India, it is a matter between John Bull in England and John Bull in India, and they may come to any conclusions, not necessarily in the interest of India. Then, Sir, the third thing which may happen to these sterling resources is depreciation of the sterling itself and thereby a lot of money of this country will disappear. Last time it happened with regard to the German Mark. People used to purchase a cigar with thousand marks, or one million marks. Fourthly, Sir, it may be paid as consumers goods and fifthly as capital assets. I want you, Sir, to remember

that after the war is over it is liable to be forgotten as to what amount of sacrifice India and Indian people have made for accumulating these sterling resources. About fifty thousand people have died in Bengal and there are lakhs of people who are suffering today for one meal. It is owing to the sweat and toils of millions of peoples of this country that you have been able to accumulate these sterling balances in England. After some time people are liable to forget, as to with what sacrifice these sterling resources have been accumulated. Here I would like to offer a suggestion to the Honourable the Finance Member. I am not one of those people who want these amounts to be accumulated indefinitely because, I think, accumulation of debt when it goes on into large amounts always produces wrong effects: It leads to the thought that since you cannot pay, it is better that it should be written off. So, I think it is always better to utilise some money out of these sterling resources even now and even today in the best interest of the country, consistent with the shipping position and consistent with the exigencies of the war. But I want you to remember there are many methods and ways in which they can be put and used for better purposes. I will presently give you my suggestions. You have appointed Re-construction General Policy Committee and other Reconstruction Committee, you have asked them to submit their reports. All these reports will be of no use unless, you have trained men who can work them out. You must train personnel as the Honourable the Finance Member put it. You must have men with metallurgical knowledge, scientific knowledge and any other technical knowledge required for the manufacture of medicines, etc. We want such men and at the end of the war I am sure these persons will be of great use to the country as a whole. Unfortunately trained personnel is not now available. I warn you, Sir, at the end of the war there is going to be a lot of unemployment and there will be a great demand of technical men. I assure you, Sir, there is no lack of Indian young men, who can learn. Sir, our universities consist of some very intelligent men, and if I may say so, of all classes, who are quite competent to train themselves in each and every line. I, therefore, suggest that some money out of these sterling resources be invested for this purpose.

Then, Sir, I think it is dangerous to keep the sterling resources in England alone. It is better to keep these resources in England and America. I want the Government to develop dollar resources independently so that we may, if necessary, utilise these balances for the manufacture of locomotives and motor cars.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after lunch.

The Assembly then adjourned for Lunch till Three of the Clock.

The Assembly re-assembled after Lunch at Three of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. T. S. Avinashilingam Chettiar: Sir, when the House rose for lunch I was dealing with the desirability of having our sterling resources well divided into dollar and sterling resources and kept separately, and for a good reason. The reason is that we will secure a better purchasing power if we have a hold on two markets instead of having all our resources in one market alone. I have another good reason to say why our resources should be divided and kept separately in dollar as well as in sterling. It has been our experience in the past that the British industries have rarely given us opportunities for training. Even the *Tatas* I am told found difficulty in getting an opportunity to know the inside working of factories in the U. K. and to get knowledge enough to set up work in India. I am also told, that it is largely American skill and labour which enabled many of our industries to be started and conducted in this country. I have been told that the British industries are not prepared and are not willing to train our men, and for a good reason from their own point of view, because they do not want us to become industrialised. They want us to be a market for their own

[Mr. T. S. Avinashilingam Chettiar.]

goods, and if industry is started in India, then it will become a competitor to their own. But America, I think, is still open. I think we may find industrialists there who will take up our men and train them if we promise to purchase things from them. A friend of mine had been recently to America, and he came with an offer. He said: "Given the money and Government help, I have got promises from American industrialists who will send me plants to establish an automobile industry in India". So, I feel that it is in the interests of this country to have our foreign balances not merely in sterling, but preferably in dollar and in sterling, so that we can use both the markets to our best advantage.

Now, coming to the ways in which these sterling and dollar resources can be utilised, I may suggest three methods by which they can be used. No. 1 is over which I talked a little while ago—the training of skilled personnel even in these times of war, even to-day so that they may be useful when the peace comes as it must. That is No. 1. When these people are sent there, to that extent our sterling resources can be utilised, and I think money spent on training personnel is very well used.

The Honourable Sir Jeremy Raisman: Does the Honourable Member mean training in England?

Mr. T. S. Avinashilingam Chettiar: England and America. That is what I mean. That is how the sterling can be used. No. 2 is importation of consumer goods. Certainly one type of consumer goods may be imported, a type which is not produced in India. Watches for example. You do not produce in India watches and there is no chance of our producing the same in the near future. I think that consumer goods of the type which is not competitive with Indian goods may be imported. In this we were rather chary of supporting the cut motion of yesterday. The cut motion of yesterday ran like this, "increase of consumption goods as a method of avoiding inflation", if I remember correctly—as an anti-inflationary measure. We do agree that the manufacture and production of consumer goods is an anti-inflationary measure. But we were afraid of giving a handle to the Government in this matter in this way. If you can avoid inflation by imports, it was not explicitly written there, "manufactured in India".

Mr. A. C. Inskip (United Provinces: European): Yes, it was.

Mr. T. S. Avinashilingam Chettiar: It was not in the cut motion. You said that in your speech.

Mr. A. C. Inskip: I said that in my speech.

Mr. T. S. Avinashilingam Chettiar: It was said in the speech but it was not in the cut motion, and many times we have had the very unfortunate experience with the Government of India when our speeches are forgotten and the words of the cut motion are emphasised to their own advantage, and that is what my Honourable friend, Mr. Sami Venkatachalam Chetty, said. He requested that it might be amended to be consistent and to be more explicit, in view of the speech of the Honourable the Mover of the cut motion, and if that had been done, we said and we thought we would support it. The idea is that the manufacture of consumer goods in India must be encouraged. If the sterling resources are to be used, imports of such goods as are not competitive with our goods manufactured in this country may be done. But if other goods were imported, then our sterling resources would not be utilised to our best advantage and our industries which are now struggling to-day will suffer and go down. It is for this reason that we wanted to make it clear that consumer goods should be manufactured in this country, when the discussion came up yesterday. Importation of necessary consumer goods not produced in this country will be a good way of utilising sterling resources.

I come to the third and the best method by which sterling resources can be utilised, and that is, getting of the capital goods into this country. For the last 9 or 10 years that I have been in this House, we have been pressing at question the Government to manufacture locomotives. At one time they said that there was no demand for a sufficient number of locomotives in order to establish a

separate factory in India. Now they say, you cannot start manufacture at the time of war and we have to import them. At one time they say, we cannot get plants enough to produce auto-combustible engines. And again that we have not got requisite material to produce aeroplanes; and all sorts of objections were raised. In the meantime, we find even to-day huge orders being placed. Not only that. An Indian gentleman started the Hindustan Aircraft Factory in Bangalore, but what happened to it is that it has been taken away from him and handed over to American management. We want this country to develop industrially. We are told, how can you get these huge plants from England? There is no shipping space available; you cannot do it in war time, skilled personnel is not available; all that is said. But what happened in Australia? I think they are farther away from England than we are. I shall read a few sentences from a book by Mr. K. T. Shah:

"War-time difficulties to transporting machinery, importing technicians, or financing such enterprise, have been mentioned as explanation of the relative neglect of India's industrial possibilities. But such obstacles also operate elsewhere; and yet they have not been suffered to stand in the way of Australia developing her automobile industry. It is a war baby, pure and simple. An expert committee had pronounced against such enterprise being started in that country. And yet, its Government, national in composition as well as sympathies disregarded such experts and went ahead with the plans to build up this industry."

That is what we want. We want bold action. We want action with vision, with patriotism, with the interest of India at heart. We do not care what the temporary expenses may be. We want India to be developed industrially and these sterling balances, we submit, must be utilised to that end. We are told that there is no shipping space available. The Commerce Member was telling us the other day about Johnnie Walker, about blades and many other things and even textiles which are bulky things. Shipping space is available for consumer goods; wagons, engines and so on are coming. Cannot plants come? Where there is a will, there is a way. I want the Government to think it over and to give an assurance today that they will be up and doing and take up this matter early.

Now, Sir, this subject leads me to the subject of post-war reconstruction. I entirely approve of all that His Excellency the Viceroy has said in his speech. He has said it very nicely. This is what he said:

"Our great aim must be to plan for economic and social development so as to raise our standards of living and general welfare. We must lift the poor man of India from poverty to security; from ill-health to vigour; from ignorance to understanding; and our rate of progress must no longer be at bullock-cart standard but at least at the pace of the handy and serviceable jeep."

I do not know what 'jeep' means.

The Honourable Sir Jeremy Raisman: If my Honourable friend looks about as he moves round Delhi and he will see plenty of jeeps.

Mr. T. S. Avinashilingam Chettiar: Those little things? Well, Sir, if the Government of India approve of what Lord Wavell has said, I would like to know at what speed they are going.

The Honourable Sir Jeremy Raisman: Your friends have objected to the start we have already made.

Mr. T. S. Avinashilingam Chettiar: Hear me fully and you will then agree with what I am going to say. We want the standard of the people of this country to be raised. We want education to be given. We agree with every word of what Lord Wavell has said. But the Government of India is falsifying the Viceroy's statement. They have not started at all. It is not a matter of the bullock cart rate or that of the jeep. It is a matter of standing still. (*An Honourable Member:* "going backward".) We are in the stage of appointing committees. His Excellency goes on further and says this:

"Over the greater part of the field, our actual conduct after the war will depend to some extent—often to a great extent—on international factors—such as tariff policy and international currency—of which we can at present know little."

Quite true. Then His Excellency goes on:

"But we need not wait on these; on the big questions of policy we have to make certain broad assumptions, and we are now deciding what our assumptions should be. Concurrently

[Mr. T. S. Avinashilingam Chettiar.]

we are appointing individual development officers—not Committees—to draw up outline plans for subjects such as electrification, industries, road development, irrigation and agriculture."

Very truly has His Excellency Lord Wavell said that certain broad assumptions can always be presumed and I presume, Sir, that the automobile industry is absolutely essential for this country and that can be presumed. An aeroplane factory, ship-building yards which can produce the navy to defend our coasts and ships for our coastal trade, chemical factories, factories to manufacture machine tools—all these are absolutely essential for any country. It is not a matter of your standing still. If you don't move forward, you perish and live for ever as slaves. If any assumptions can be made, these are the basic assumptions that must be acted upon by the Government of India but unfortunately, I was disillusioned even this morning. I had expected that the Executive Council, composed of patriotic gentlemen, would have accepted the necessity for these basic assumptions. But what did I hear. There was a question about shipping and the Honourable Member on behalf of Government replied that it is a post-war matter, that it has been referred to the reconstruction committee and that that committee will report and then they will decide whether they will have shipping or not. Such an answer is puerile. Did the Government imagine that such a reply would satisfy the members of this House or satisfy the people? I am very sorry that the Government have falsified what was written in His Excellency's speech.

The Honourable Sir Jeremy Raisman: No.

Mr. T. S. Avinashilingam Chettiar: The basic assumptions must be taken for granted and the work must be done here and now.

The Honourable Sir Jeremy Raisman: It is being done.

Mr. T. S. Avinashilingam Chettiar: I hope so. But we do not see any proofs of it.

The Honourable Sir Jeremy Raisman: There are none so blind as those who will not see.

Mr. T. S. Avinashilingam Chettiar: There are some so blind that they cannot hear.

The Honourable Sir Jeremy Raisman: I don't hear with my eyes!

An Honourable Member: They have brains but they don't function.

Mr. T. S. Avinashilingam Chettiar: But they are very active in certain directions.

Now, Sir, I am sorry that I miss my Honourable friend, Mr. Siva Raj, Mr. Kureel and even Dr. Ambedkar. Let me assure them that in post-war reconstruction—why post-war reconstruction, even now, if there is anybody who wants the uplift of the depressed classes, we are whole heartedly with them. We shall share their burden and work for them. We shall suffer for them. We shall make amends for all that has been done in the past. All honour to them for having voiced the position of these unhappy millions. Let me tell them that there are thousands of men of the higher castes who do feel for them, who work for them and who will die for them. For them I want to suggest a programme. Personally, I think their uplift is a matter of economic development. If they get enough money, they will get education. They will progress and they will be more enlightened. I have in my mind a scheme and let anybody who can make it possible do it. I want every province to raise a loan of 5 or 10 crores of rupees in times like these when money is cheap and with that money land should be acquired and distributed to these Harijans on the basis of the land-mortgaged banks. Let them pay it back as land revenue in, say, in 40 years. Give them this land so that they may have an opportunity to live better. That is the best way of making progress. I wish and pray that a time will come when we will be able to do it. But that is the real reconstruction.

The Honourable Sir Jeremy Raisman: Is the Honourable Member interested in putting up the price of land still further?

Mr. T. S. Avinashilingam Chettiar: That is how the sympathy of the Government works for the progress of the scheduled classes. There is always some

point against anything that we suggest. However, that is our proposal and if ever we have an opportunity to do it, we will do it.

Now, Sir, I come to the next point. Our Government always says and yesterday Sir Reginald Maxwell waxed eloquent and he said that both the European and the Indian Executive Councilors worked with one view, and that is to the good of India. I daresay many of you have read the book Bernard Shaw's 'Man of destiny'. In that book Napoleon says at one place. "The Englishman always fights with vigour and when he kills you, he kills you for your own good. When he plunders you, he plunders you for your own good. When he breaks your head, he does so for your own good". And that is the way these Englishmen come here and stand up and have the temerity to say: Every thought, every word, every act, is in your interest. We are being shot in thousands; that is 'in your own interest'. In Bengal people are dying in millions; 'in your own interest'. They are spending 300 crores of rupees; 'in your own interest'. You are appointing rapacious money collectors in every town; 'in your own interest'. You are sending Englishmen to fill key posts and giving them concessions beyond Lee concessions and you do not choose Indians for those posts; the reply is: 'in your own interest'. You are selling gold in this country at such an unconscionable profit; 'in your own interest'. You are having the U. K. C. C. which has put out the whole of the Indian trade. Why? 'in your own interest'. You have given to the Imperial Chemical industry 90 per cent. of the dyes trade in this country and then you have the temerity to say that it is a question of policy and principle. I have had a talk with one of the Members of the Executive Council here. I asked him: "What is this? Here is a corporation which is purely European and you have given it agency for about 90 per cent. of the dye". And he said it is a question of policy. We are doing it on principle. Don't you know everything is done on principle. I asked him what is the principle involved in this policy? Even today at the question time there was a mention of old policy and new policy. The policy is that the Imperial Chemical industry was given 90 per cent. of the distribution before the war—minus the portion of the German agencies—and that should be continued till eternity. That is the principle. I do not see any principle in it.

Sir Gomasjee Jehangir (Bombay City: Non-Muhammadan Urban): For whose benefit?

Mr. T. S. Avinashilingam Chettiar: 'In your interest.' I told him that if you continue to give them 90 per cent., it will become a sort of worse form of vested interest. I say there must be an end to this sham of working in India's interests. There must be some limit. My friend, Mrs. Subbarayan, reminds me that you are sending women into coal mines; 'in your interest'.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): On a point of order, Sir. "Your" means Deputy President.

Mr. T. S. Avinashilingam Chettiar: I am glad that our Deputy President is not ruffled by any of these points of order. If there was President, he would have been very much disturbed.

The Honourable Sir Jeremy Raisman: Order, Order.

Mr. T. S. Avinashilingam Chettiar: I now come to the matter of licences . . .

The Honourable Sir Jeremy Raisman: I think the Honourable Member made a remark just now which he should be asked to withdraw. He reflected on the Honourable the President.

Mr. Deputy President (Mr. Akhil Chandra Datta): If the Honourable Member will repeat, then I shall be in a position to say whether it was improper. What did he say?

The Honourable Sir Jeremy Raisman: He made the suggestion that if the Honourable the President were in the Chair, he would have acted in a different manner.

Mr. Deputy President (Mr. Akhil Chandra Datta): That was certainly not proper.

Mr. T. S. Avinashilingam Chettiar: I am sorry, Sir; but I did not mean it. Now, Sir, I come to the question of licences. Licences are necessary and they are issued by the Government of India for exports or imports for many of the articles and I have been told that mostly they operate in favour of the European concerns.

An Honourable Member: 90 per cent.

Mr. T. S. Avinashilingam Chettiar: I am told they operate to the extent of 90 per cent. in favour of European concerns. I shall be satisfied if the Honourable Member for Government corrects me and says up to what percentage they operate. Sir, it is somewhat of an open scandal which I hear from merchants. I will be glad if their statements are false. But unfortunately I can say from my own experience that every restriction that is placed upon the trade is being evolved later on to the advantage of the Britisher. Hundreds of people apply but it is the Britisher who is preferred and for an ostensible reason, namely, that he has been dealing with the trade for a long time. But that cannot be the proper reason. There are reasons which need not weigh to the disadvantage of the Indian. I find that in war time today such things are happening and surely they are not expected to inspire confidence in the Government of the country.

My next point is about the terrible corruption that is rampant in the country. I do not want to linger long on this subject. What with Controls and other machineries of control which the Government have introduced, corruption has become the order of the day in many Government departments. I wish Government takes it seriously. I am glad that today the Honourable the Finance Member said some things in replying to the motion for the setting up of a Standing Finance Committee. I am surprised that without amending the memorandum, he wants to bring these things before that Committee, which I think he cannot do. I expected that he will withdraw the present motion for the setting up of the Standing Finance Committee, present another memorandum and form a new Standing Finance Committee which will have the power to go into questions of corruption. If necessary he may change the name of the Committee itself. There is nothing sacrosanct in a name. What is there in a name?

The Honourable Sir Jeremy Raisman: The memorandum is merely a document adopted by the Standing Finance Committee. It is a sort of legislation by the Committee for its own guidance.

Mr. T. S. Avinashilingam Chettiar: Then you are agreeable to amend the constitution suitably so that these things will be brought before the House.

The Honourable Sir Jeremy Raisman: I was prepared to discuss with the Committee the scope of its functions.

Mr. T. S. Avinashilingam Chettiar: It is very good. I congratulate the Honourable Member for at least this proposal. I warn the Government not to be slack in this matter of putting down corruption. If necessary, let the Government appoint private C. I. D.'s to watch even the highest officials in the land. Money spent on tracing corruption and rooting out the same is well worth spending. In South India, only private C. I. D.'s unearthed cases of corruption for which cases have been put up. In South India, the Government went ahead and created a machinery as it were to find out corruption, especially in my District.

The Honourable Sir Sultan Ahmed (Leader of the House): Your District seems to be thoroughly bad in every respect.

Mr. T. S. Avinashilingam Chettiar: Not worse than your District. In Bihar, perhaps the thieves are not found out, whereas in my part of the country they are found out. That is the difference. You have thieves all the same in your place. Even the highest in the Government of Bengal was suspected of taking part in corruption. I dare say this Government should have the courage and the strength to take up measures even against the highest officers to root out this evil. In all such measures, they will have our wholehearted co-operation. I hope the Government will have the courage to do it.

I now come to my next point and I wish my Honourable friend, Mr. Griffiths, had been present in the House. I do not know whether he is Sir Griffiths or merely Mr. Griffiths, but he richly deserves to be knighted for his exploits in favour of the National War Front. We were talking about retrenchment the other day. We demanded a Committee. But for reasons best known to himself the Honourable the Finance Member did not see his way to accept our Motion. Expenses are swelling and we thought the present is the most opportune moment to have a Retrenchment Committee. I will bring to the notice of the House two instances of colossal waste of expenditure. It may not be colossal when you compare it with 300 crores of our expenditure. But still it is a good amount for a poor country like India. Take the National War Front of which my Honourable friend, Mr. Griffiths is the Leader.

The Honourable Sir Sultan Ahmed: No, he is not the Leader. I am the Leader.

Mr. T. S. Avinashilingam Chettiar: It takes my breath away to hear it. I never thought that my Honourable friend was up to it.

The Honourable Sir Sultan Ahmed: Quite up to it.

Mr. T. S. Avinashilingam Chettiar: I thought Mr. Griffiths was best suited for it, because he is an excellent speaker in English. But I do not know in what language he spoke during his rambling from Himalayas to Cope Comorin to propagate the National War Front, which is neither national, nor war, nor has it got any front.

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadian Rural): He has given it up.

Mr. T. S. Avinashilingam Chettiar: I have seen some samples of the officers who form this National War front in my part of the country. They are all young men.

Mr. T. T. Krishnamachari: The National War Front is a *pinjrapole*.

Mr. T. S. Avinashilingam Chettiar: No, I see quite active young men drawing fat salaries ranging from Rs. 600 to Rs. 1,000. They make a lot of tour in this way and that way, they have motor cars and their occupation being classed as essential service, they get a lot of petrol, that is the attraction for them. So, Sir, these people go about arranging meetings. When they find no audience to listen to them, they simply pack up their show and go away in their cars. Sometimes they come to a village. The villagers ask them what about food, with the result, now they don't go to the villages at all. This is the National War Front work which is being carried on in this country for which you spend money. There is a scramble to get into this National War Front, because there is money in it. Here is a good source of saving for the Honourable the Finance Member, if he cares. Abolish this National War front.

The next point to which I wish to refer is this. I am sorry I have to raise it again. That is about the grant to the Indian Council of International Affairs. I still maintain that the grant to the Council and to the library should have been shown not under the External Affairs Department and thus taken out of the purview of this House. I think there are many such things in the Budget of the Government of India. The Budget is a huge volume and it is a whole time job for one to wade through the whole mass of figures and find out the flaws therein. Perhaps it may not be one man's job, but it is a job of many men, or perhaps the job of a Committee. It is well worth having a Committee to scrutinise this Budget. I do think that a good portion of this colossal expenditure could be saved, and to that extent it can lessen the burden upon the taxpayers of this country.

Lastly I wish to say a few words about the political situation in the country and about the political problem of this country. I was a Member of the A. I. C. C., and I am, I hope, still a member now. I attended the Bombay session of A.I.C.C. I was present on the 7th and 8th August, 1942. I heard the speeches of Mahatma Gandhi and Pandit Jawahar Lal Nehru. I can say with truth

The Honourable Sir Sultan Ahmed: For once.

Mr. T. S. Avinashilingam Chettiar: You know how many times we speak the truth and how many times you do so. You know it well. I can say with truth that though the urge for freedom and independence was there, the idea that the war should not be won by the Allies was never in our minds. Pandit Jawahar Lal Nehru stressed that England should win the war, that China should win the war and I can say that England can have no better friends than Mahatma Gandhi and Pandit Jawahar Lal Nehru.

And then what did he say?—

"We want to win the war; we want an efficient Government for that very purpose; and for that reason we want this Government to go out of office."

What did Mahatma Gandhi say—

"Be non-violent in action, if not in thought. This is the least I expect from you. If there is the slightest communal taint in your mind, keep off the struggle."

Never believe—as I have never believed—that the British are going to fail. I don't consider them to be a nation of cowards. I know that before they accept defeat, every soul in Britain will be sacrificed.

We must remove hatred for the British from our hearts. At least in my heart, there is no such hatred. As a matter of fact, I am a greater friend now of the British than I ever was. My friendship demands that I must make them aware of their mistakes.

Give up the attitude of mind which welcomes Japan.

I want you to adopt non-violence as a matter of policy. With me it is a creed but so far as you are concerned I want you to accept it as a policy. As disciplined soldiers, you must accept it in toto and stick to it when you join the struggle."

And now, Sir, you will say, and very rightly too, how did this violence and sabotage come about? How did this notice,—about which a reference has been made by the Honourable the Home Member in this House and, if I remember aright, by Mr. Amery in the House of Commons,—how did this notice come about? Sir, this notice was caught in Madras on or about the 29th of July, if I remember it correctly.

Mr. Deputy President (Mr. Akhil Chandra Datta): Which notice you are referring to?

Mr. T. S. Avinashilingam Chettiar: I am referring to the notice which advised people to start civil disobedience and in which there was a programme called 'telegraph wire-cutting'. It is true, Sir, that there was a notice like that. I saw it myself. I went and asked the Working Committee Members as to what was the programme and I also mentioned that there was a notice laying down the programme and asked why that had not been circulated to us. They replied, "No instructions have been issued from the Working Committee and no programme for civil disobedience has been laid down. You will hear Mahatma Gandhi tomorrow—the 8th". A meeting of workers was fixed for 9 O'Clock next morning to be addressed by Mahatma Gandhi. No programme was issued by the Working Committee. Even today we do not know what Mahatma Gandhi's ideas were in regard to the programme. I had an opportunity to ask a Member of the Working Committee and he disclaimed Congress having issued any programme. He said, 'you should wait and you should not do anything because Mahatma Gandhi believes in compromise, he believes in seeing Lord Linlithgow and he believes that something good may come out of it'. It was announced that there would be a meeting of workers on the 8th to be addressed by Mahatma Gandhi. It never happened because in the morning, at 5 O'Clock, Mahatma Gandhi was arrested. I had the privilege of going to that meeting and I was at the flag hoisting ceremony, when I had the privilege of experiencing tear gas used by the police.

Mr. N. M. Joshi: Who issued that notice?

Mr. T. S. Avinashilingam Chettiar: The Working Committee members did not issue any instructions; Mahatma Gandhi certainly did not issue any instructions. But who issued this circular is something to be found out. What I can make out today is that these instructions, over which the Government are harping, were not issued by the Working Committee or by Mahatma Gandhi. You may ask 'how did it happen that these instructions were broadcast throughout the country?' And now I want the Government to hear me. Sir, I have been in jail with friends; I have had talks with them about

the origin of this notice and how did it come about, and this is what I understand. On the 9th night, Mr. Amery seems to have spoken on the radio in regard to the arrest of Mahatma Gandhi—I did not hear him myself

An Honourable Member: Which Amery?

Mr. T. S. Avinashilingam Chettiar: I am sorry if there is any misunderstanding. There is only one Amery in this world, the present Secretary of State for India. He broadcast over the radio justifying the arrest of Mahatma Gandhi and in that speech he proclaimed to the world that cutting of telegraph lines, railway lines burning of post offices and so on, was the programme of Congress. This speech was reported in some of the papers in India and many workers told me that when they saw this programme published in the papers they thought what Mr. Amery said was the programme of Congress was actually the programme chalked out by the Working Committee of the Congress. This is what I heard in the jail; I did not hear the broadcast myself. Even today I do not know what the Working Committee's wishes were in this matter, but I do not believe that Mahatma Gandhi would have ever said anything like that.

Now, I come to the next point: His Excellency the Viceroy in his speech says, 'you must come together, unite, you must become one with each other, your leaders must unite', and yet if on a single occasion the Congress and Muslim League vote together, what jealousies it creates. Here in this House Sir Frederick James could not even suppress that jealousy. If the Government really wishes that the various parties should come together, if the Government really want the people of this country behind them for the war effort, it can only be achieved by seeing Mahatma Gandhi; it cannot be achieved by not seeing him. You are shutting him up in jail. You won't allow him to come into contact with anybody. You won't allow him to write a letter even to his political opponents, or shall I say political friends. You would segregate him from all things. At least if the Working Committee and Mahatma Gandhi are put together they can come to some conclusion and they may give you an offer. Suppose I ask you?

Mr. Deputy President (Mr. Akhil Chandra Datta): Don't ask me!

Mr. T. S. Avinashilingam Chettiar: I ask the Government that in view of the present political situation, they may have something fresh to submit and to say. Is it not common courtesy that you should gather them together? All this talk about unity is, if I may say so, bunkum. I want you to be sincere. Act up to your words, once. Will you?

I have been told that the head of this Government told a leader of thought in Madras that they are very sincere with the Cripps offer. I believe that they are sincere but sincerity must be shown in action and if they are sincere, they must let people meet Mahatma Gandhi: they must let Mahatma Gandhi meet the Working Committee and they must let those two political parties come together and that is the test of sincerity and I hope they will rise up to it and act up to it in their own interests and in the interests of this great war that they are waging in the interests of the democracies, and the United Nations.

Sir Cowasjee Jehangir: Tell us about your own diary.

Mr. T. S. Avinashilingam Chettiar: Unfortunately it will not be very relevant in this debate.

The Honourable Dr. B. R. Ambedkar (Labour Member): Anything is relevant in the Finance Debate.

Mr. T. S. Avinashilingam Chettiar: In the end I want to say that if the Government are sincere about their professions in regard to India and if they want to win the war and they do not want to prolong its agonies—the war may be won in one year or ten years. With the concentrated efforts of the people of this country the war will be won much sooner. Millions of men and women need not hunger and die and millions of men need not suffer. If you do not want to prolong the agonies of war, it is up to you to give opportunities to

[Mr. T. S. Avinashilingam Chettiar.]
these political parties and get their support. As for us, Sir, we believe in this great principle:

"Who lives if India dies?
Who dies if India lives?"

Some of us may live, some of us may die in jail and may rot: some of us have died. Some of us may come out as physical wrecks. Some of us may lose everything. But still the ideal of a free and independent India will always live for generations in millions of men until it comes true.

(Interruptions from Government Benches.)

I do not want to add anything more. I oppose the motion.

Mr. R. R. Gupta (Cities of the United Provinces: Non-Muhammadan Urban): The speech of the Honourable the Finance Member on this Budget is much more thought-provoking, as hitherto, for the last four years, he has been confining himself mostly to explain the difficulties arising out of delay, increasing expenses and other economic difficulties. It is for the first time after four years, that he finds the Budget position somewhat stabilised, hence he could not help giving some indications affecting the policy which this Government wish to follow in the post-war period. That is, he has explained the difficulties resulting out of the shortage of consumers goods. He has also touched upon the planning after war, which has started naturally agitating the minds of people, as the chances of successful conclusion of war become more and more evident, and programme of finances required to meet post war planning. He has already indicated that chances are that present taxation may continue indefinitely, with further taxation in the form of estate duty or death duty, etc. These indications naturally compel one to think deeply and analyse thoroughly in what direction he is trying to lead us. Had the Honourable the Finance Member been clear with regard to the future policy which this Government wants to pursue and the schemes which they have in mind, our task would have been comparatively simple. But as it is, one has to draw conclusions from the things which he has said and connect them from other materials which have come to our knowledge during the last few months, and in my so doing, Sir, I arrive at the only conclusion that the position is too serious to allow it to pass unnoticed. The policy which the Government seems to follow is that politically they think that they have entrusted the country's future, for some time to come, at least, in the safe hands of Mr. Jinnah. Militarily, they think the position is going in their favour in Europe, and that with the unlimited man-power of India and rising resources of the Allies, the defeat of Japan is sure. Economically I am sure the Government wants to follow the policy of facing the problem of poverty and the ignorance of the country as perhaps they have come to realise that their past policy has resulted in reducing 95 per cent. of the population of this country to the actual position of an animal.

Sir, it is the last point with which I will concern myself today. In one place you emphasize the necessity of increasing the production of consumers goods. You have also talked of other schemes . . .

Mr. N. M. Joshi: Address the Chair.

Mr. R. R. Gupta: Very well, Sir.

That is, the Government is trying to tackle the problem of national education. They are also trying to tackle the problem of agricultural rehabilitation, which they can do either by increasing the wealth of the country or by appropriating the meagre resources of the country which only a few individuals possess. If you adopt the first course you have definitely to overlook the economic interest of England and treat the Indian interest as supreme in every respect, while in the other course he will be able to meet the requirements of the greater population temporarily. At the same time, while he will be able to create a big field for British industries and capital to exploit in this country and secure employment for more and more foreign persons in India, result will be that the country will become poorer to the extent that perhaps no one will be left with any ambition. You will excuse-

me, Sir, if I point out that the words of the Honourable the Finance Member do not stand scrutiny with the actions which he has proposed in this Budget, otherwise, Sir, how can he justify his present proposals of increased taxation. I have analysed the effect of the present proposals contained in his Budget speech and the figures work out to be very very discouraging. If a person, before the war had an income of thirty-six thousand—I mean a business, who after paying taxation was saving about 30,790 what will be the position of the same business if the present proposals of the Honourable the Finance Member are carried out. Consider a business with an income of thirty-six thousand, if it earned profits, say, one lakh of rupees. But, Sir, before I come to that point, I would like to point out, that according to the present position, before this Budget was introduced, if a firm had an income of thirty-six thousand rupees and it earned rupees one lakh in a year, it is saving only Rs. 26,380. If the same firm had an income of ten lakhs during a standard year, it was saving upto now only one lakh thirty-six thousand rupees. Now, Sir, the result of the present proposals will be that a firm with an income of thirty-six thousand will save only Rs. 21,380. If another firm has an income of 10 lakhs in the year, it will save Rs. 24,100 only.

The Honourable Sir Jeremy Raisman: Has the Honourable Member taken into account the sum that is really saved and that is deposited with the Government?

Mr. R. R. Gupta: Yes, Sir, I have taken that amount into consideration. That amount is to be deposited by us with the Government. That is obligatory.

An Honourable Member: Is the Honourable Member talking about firms or limited companies?

Mr. R. R. Gupta: Limited companies. Sir, the position of the firm will also be more or less the same. If you like, I can calculate it.

Then, Sir, there is another point in regard to individual persons. If a person has got a dividend income of five lakhs of rupees, ultimately what will he save? He will save only Rs. 1,31,000. My point is this. With this meagre income what a firm, company or individual can do is not enough.

An Honourable Member: What does the Honourable Member mean by dividends. He is giving wrong impression to Honourable Members.

Mr. R. R. Gupta: I have first of all given you the example of the companies who have got a standard period of 36 thousand after present provisions are brought in force, what will be left to them as profits only will be 2 thousand rupees.

Now, I come to another point which relates to the deposit of income-tax. There are several other points which required very detailed consideration about this matter, and I propose to deal with them when the Income-tax Bill comes up for discussion. The Honourable the Finance Member wants that money should be deposited with the Government every three months in the shape of income-tax and in the form of E. P. T. He has now got a provision in the Finance Bill to suggest that that money will be treated as an investment from the business. Thus the businessman will have no advantage to include that amount in his income. Sir, I have given you some examples which, I think, are sufficient to show what a meagre income will be left in the hands of companies and businesses after paying all these taxes.

There is one more point which must be given serious consideration, and it is this: the standard period of companies was based on those periods which were more or less periods of depression. What was the result of that? The result was that these companies were not in a position to declare satisfactory dividend at that time. What has happened now is, that the Government have imposed further taxes on those companies, with the result that these companies will not only be unable to give any dividend, but they will be left with nothing for payment of corporation tax. I shudder to imagine the fate of business and companies if present provisions are allowed to be continued. I realise what will be the effect of this taxation. Naturally the effect will be that no honest

LEGISLATIVE ASSEMBLY.

Monday, 20th March, 1944.

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STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

SIKH ASSISTANTS, ETC., IN MILITARY FINANCE DEPARTMENT.

†508. *Sardar Sant Singh: (a) Will the Honourable the Finance Member please state the number of Sikh Assistants, Superintendents and Assistant Financial Advisers working in the Military Finance Department (Main Office) on the 1st January, 1944?

(b) What is the total number of such staff, community-wise, and what proportion do the Sikhs form in each of these grades?

(c) Is he aware that the Sikhs have not got their due share in the above-mentioned appointments in the Main Office of the Military Finance?

(d) Does he propose to consider the desirability of getting some appointments given to the Sikhs also in this office? If not, why not?

The Honourable Sir Jeremy Raisman: (a) and (b). Since what is known as the Main Office is in fact only a small section in the Military Finance Department, I am doubtful whether the production of figures relating to Main Office alone would be of value and I, therefore, lay on the table a statement which gives in addition information in relation to the numbers employed in the Department as a whole and which—in order to convey a more comprehensive picture of the position—includes also the numbers of II and III Division clerks.

(c) No. There is no fixed communal proportion for Sikhs; they are included in "other minority communities". For all of them combined, the proportion of vacancies required to be reserved is 8½ per cent. while in fact Sikhs alone hold nearly 6 per cent. of the appointments in the Department.

(d) Does not arise in view of the reply to (c).

STATEMENT.

Numbers of staff in Main Office as on 1st January, 1944.

	Unreserved.	Muslims.	Sikhs.	Other Minorities.	Scheduled castes.
Assistant Financial Adviser	..	..	..	1	..
Superintendent	1	..	..	..	..
Assistants	2	2	..	..	..
II and III Division	5	4	..	1	..
	8	6	..	2	..

Numbers of staff in Military Finance Department as on 1st January, 1944

	Hindus.	Muslims.	Sikhs.	Other Minorities.	Scheduled castes.	Total.
Assistant Financial Advisers	12	1	..	10	..	23
Superintendents	10	1	1	..	..	12
Assistants	76	17	9	4	..	106
II and III Division	130	53	9	3	..	195
	228	72	19	17	..	336

BRINGING OF SIKH INDIAN AUDIT AND ACCOUNTS SERVICE OFFICERS TO GOVERNMENT OF INDIA OFFICES.

†509. *Sardar Sant Singh: Will the Honourable the Finance Member please state the efforts made by him to bring Indian Accounts and Audit Service officers belonging to the Sikh minority community to Government of India offices at New Delhi up to this time, and whether it has been possible for him to offer any appointment to an officer belonging to the Sikh community? If

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(1261)

[Mr. R. R. Gupta.]

assessee will like to carry on business at all, nor there will be left any allure-ment to do any kind of business. On the one hand you want to increase the production of consumers goods as you have said, and on the other hand, you are going to reduce their capacity to almost nil. The position will be that no-body will like to run any business. No question of further expansion. Conse-quently the result will be that country will have to depend upon the foreign imports for all type of consumers goods. Otherwise you will have to go on facing shortage in this country.

Another point is this. After all, what for do you want to increase further taxation at all? So far as I have been able to understand your Budget posi-tion, I think there is absolutely no deficit in the coming year, if you take into consideration the actual position of the amount which you will get even as a result of your present rate of taxation. My point is that on the income side, the Honourable the Finance Member has calculated a return of only Rs. 174 crores, while in the present year he has already got about Rs. 168 crores. Though in his speech he has said that the income from the taxation has been only about Rs. 138 crores, there is Rs. 28 crores standing in the deposit account. If that is also taken into consideration, the actual income from income-tax and excess profits tax works out to Rs. 168 crores in the last year. Which is 64 crores more than his last calculations. I would like to point out that the income which you are going to assess this year is the income for that period which has been the best boom period for industry and business. Therefore, there is no reason why you should not count on getting at least Rs. 225 to 250 crores from income-tax and excess profits tax in this year even at old rate. If that figure is taken into consideration, the total income will work out to be about 335 crores. Expense, which the Honourable the Finance Member has worked out including expenditure on defence, is to the tune of Rs. 348 crores. My submission is this. If the Honourable the Finance Member takes into account the prospective return from income-tax he will get at least Rs. 325 crores as a result of present taxation. In that case he does not require any more increased taxation at all. Another ground for fresh taxation could be only this, that he wants the sterling accruing in England to be kept as it is, and that he would try to reduce raising loans in India as much as he could. If that be so, I submit that it requires considera-tion as to how far our position is safe in the matter of our sterling balances. With the present rate of taxation, privation and misery will surely result, with such large balances in the hands of the very persons, who have been flouting public opinion, in this country continuously without the least remorse. After all, a man learns from the past history. In matters of our economic relations with England the past also has not been very helpful; rather the contrary has been the case. When this background is put, in line with the chorus of cry in the English press, against the accumulation of our sterling balances, and the wishful expressions of high placed individuals in England, it becomes evident as to how they wish to liquidate our these resources. When put to actual test, there are instances like your recent importation of useless articles, directly under the permission of the Secretary of State, with-out even consulting the Government of India, the non-helpful attitude of the Government in procuring machineries required for increasing production of consumers goods in this country, and the changed policy of the Government towards the question of encouraging production of machine tools in India, and also the fact that while the newly created tin food industry in India on your own requests are starting for orders, those very things are being imported from abroad;—all these do not give us much hope that our position is very secure in the matter of our sterling reserves. In reply to my question last time, I have got a list of consumers goods which the Government have recently imported, and that contains among other things clothing and wearing apparel, cycles and cycle parts, electric fans, radio apparatus, tinned provisions, glass-ware, metal lamps, agricultural implements, liquors, paints, and photographic

apparatus. I submit that these are not items which are so very urgent for India's general consuming masses. The undue emphasis which is laid, in season and out of season, by the Honourable the Finance Member on inflation and anti-inflationary measures in India, creates a serious doubt in our mind that neither our economic position at home nor our sterling reserves are very safe. I can depend upon the Honourable the Finance Member because he has seen what sacrifices are responsible to bring this big amount of sterling balances to our credit, but he can be called away in a moment to England if he is found to be too obstinate or unmanageable by his bosses there. Then what will be the security of our sterling resources? I want to bring to the notice of the House the manner in which these sterling balances are accruing to our credit. They are not due to any charitable policy followed by Great Britain towards India, nor is it the result of profiteering, as has been lately emphasised by some of the papers in England. It is a result of the blood, tears, sweat and the sacrifice of millions of human lives of Indians. The present balances do not represent the actual value of our services, because purchases for home front from the very beginning have been at control rates, which never had any relation whatever to the actual prices which were prevailing in the country. Then, the pay of the Indian forces which are serving abroad is much less in comparison than the pay of the foreign soldiers, though their great deeds and their valour have not been less than any of the other foreign forces of any other country. Again, in the handling of these goods Government have not charged anything from Great Britain for labour, etc., employed in India. So, whatever amount is shown, that is not the actual cost of the services which this country has rendered to Great Britain. But actually it is much less. These amounts are not as a result only of the division of expense between India and England. They also represent our exports of essential goods like tea, jute, pig iron, manganese, rubber, coffee, etc. All sorts of things they were exporting to other countries while in India we were being denied many of those things for our use. Then, Sir, apart from that, we have also spent quite a lot on war preparations and in the name of the defence of this country and we all know that we did not require all those forces. At least now, there is no necessity for all those forces if they are to be maintained here purely from the point of view of the defence of this country.

Now, I come to the question of the dollar resources of our country. So far as I can calculate, more than 40 crores of dollars have already accrued to India, as a result of trade balance in favour of India, within the last 4 or 5 years and, Sir, in return for all this, what satisfaction has India got till now, either about its political ambitions or about its economic future, except the satisfaction that we have also played our part for the saving of the world from the bondage of Nazism and Tojoism? If justice is to be done to India, then a definite assurance should be given to this House, as to in what manner the Government wants to spend our sterling resources, which have accumulat-ed and which will be further accumulated in England. I also want that at least from now onwards whatever dollars are accumulated in our favour, they should be kept in the Indian account. I am thankful to the Honourable the Finance Member, for his assurance that henceforth he will keep certain dollars now in India's account from the Empire pool. But I want that what-ever dollars are accrued to our account, henceforth at least those dollars must be kept all exclusively in the Indian account.

Unless the Honourable the Finance Member satisfies us on these points, he does not deserve our support in the matter of increased taxation and we submit that the Honourable the Finance Member should consider the matter from this point of view also.

There is one more point, which I want to touch, and I have finished. I do not believe in developing industry under State management, especially so far our Government is dominated by those whose economic interests are always in direct conflict with the interest of this country. For instance, I will give the example of the railways themselves. We have up to this time invested about 900 crores of rupees over these railways. Several hundred crores have

nothing has so far been done, will he please see his way to get some Sikh officers also just as he has got officers belonging to other communities?

The Honourable Sir Jeremy Raisman: Postings of Government servants are made with reference to administrative rather than communal considerations. I understand that the Auditor General has recently selected one of the two Sikh Officers of the Indian Audit and Accounts Service for a post in Delhi and that he will join there shortly.

PROFITS, ETC., OF RESERVE BANK OF INDIA.

†510. ***Mr. Govind V. Deshmukh:** Will the Honourable the Finance Member please state:

- the profits of the Reserve Bank of India for the last three years;
- the share of Government in the profits of those years; and
- whether these profits can be set apart for financing schemes of development of rural life or at least of growing more food and increasing milk products?

The Honourable Sir Jeremy Raisman: (a) and (b). The required information is to be found in the Annual Reports of the Reserve Bank of India which are published in the *Gazette of India*.

(c) Government do not consider it necessary or desirable to earmark for specific items of expenditure any particular class of receipts which may accrue to general revenues. In this connection I would draw the Honourable Member's attention to the objections I voiced in this House on the 1st of March, 1944, in the course of the debate on the Resolution moved by him which embodied a somewhat similar proposal.

CIVIC GUARDS EMPLOYED BY MADRAS GOVERNMENT.

511. ***Mr. Kailash Bihari Lall:** Will Honourable the Home Member please state:

- how many Civic Guards are employed by the Madras Government;
- the status of those members;
- whether they are in the regular pay of the Government as the Police Force; and
- whether there is any central policy with regard to the maintenance of this force?

The Honourable Sir Reginald Maxwell: (a) On the 1st January, 1944, the number of Civic Guards in the Madras Presidency was 3,732.

(b) They are members of the general public who have enrolled themselves voluntarily in an honorary capacity for public service of various kinds in the war emergency.

(c) No. They receive a subsistence allowance whenever called for full-time duties.

(d) No. The force is maintained under the orders of the Provincial Government.

TRANSFER OF LANGUAGES SECTION OF BUREAU OF PUBLIC INFORMATION TO LAHORE

512. ***Mr. Piare Lall Kureel:** (a) Does the Honourable Member for Information and Broadcasting consider the work in connection with publicity in Indian languages as non-essential? If not, on what grounds did he decide to send a part of the Languages Section to Lahore in order to relieve congestion in Delhi?

(b) On what grounds have the languages of provincial status, such as Tamil, Bengali and Gujarati, been retained at the centre, while the most important of the Vernaculars, Urdu and Hindi, which have all-India status, have been sent to wilderness?

(c) What steps have been taken to ensure that the publicity material put out by the Bureau does not become stale by the time it reaches the Urdu and Hindi Presses?

The Honourable Sir Sultan Ahmed: (a) No. The Urdu and Hindi Sections along with some other staff of the Bureau were transferred to Lahore solely because of the lack of accommodation in Delhi.

†Answer to this question laid on the table, the questioner being absent.

(b) The Tamil, Bengali and Gujarati sections of the Bureau have been retained in Delhi because the accommodation required for them is considerably less than that required for Urdu and Hindi Sections.

(c) Advance copies of the Bureau's material are supplied to the Urdu and Hindi Sections at Lahore and urgent items are sent by telegram.

TRANSFER OF LANGUAGES SECTION OF BUREAU OF PUBLIC INFORMATION TO LAHORE.

513. ***Mr. Piare Lall Kureel:** (a) Will the Honourable Member for Information and Broadcasting please state if it is a fact that the recent Railway Budget and the Viceroy's address to the Legislature appeared in the Lahore Vernacular Press long before their translated version actually reached newspapers offices?

(b) What is the primary function of the Bureau of Public Information? Is it to publish *Indian Information*, *Markazi Ittela'at* and *Bhartiya Samachar*? If not, is the Bureau justified in sending their entire Urdu-Hindi staff to Lahore on that account, as was explained in one of its releases? Why was it not possible to locate a portion of the Urdu and Hindi staff in Lahore as in the case of the English staff connected with *Indian Information*?

The Honourable Sir Sultan Ahmed: (a) It is a fact that Lahore Vernacular papers first published News Agencies' summaries of the Viceroy's address to the Legislature and the Railway Budget but on the following day they also published the fuller translated version of these as put out by the Bureau.

(b) The function of the Bureau is to facilitate the supply of information to the Press and the publication of *Indian Information*, *Markazi Ittelaat* and *Bharatiya Samachar* is one of the means of fulfilling this function. The Urdu and Hindi Sections had to be transferred because of lack of accommodation in Delhi and preference was given to Lahore because *Indian Information*, *Markazi Ittelaat* and *Bharatiya Samachar* are published there. For administrative reasons it was not considered possible to split up the Urdu and Hindi Sections between Lahore and Delhi.

TRANSFER OF LANGUAGES SECTION OF BUREAU OF PUBLIC INFORMATION TO LAHORE.

514. ***Mr. Piare Lall Kureel:** (a) Is the Honourable Member for Information and Broadcasting aware that the transfer of the Urdu and Hindi staff of the Bureau to Lahore has been criticized both in Urdu and Hindi Presses? If so, how do Government propose to meet their objections?

(b) Do Government propose to consider the suggestion of transferring the staff of the Provincial languages, such as Bengali, Tamil and Gujarati, to their respective Provinces, and to station the Urdu and Hindi staff at the centre, not only as a measure to relieve congestion at the capital city but also to eliminate the time lag?

The Honourable Sir Sultan Ahmed: (a) Yes. The Urdu and Hindi Sections will be brought back to Delhi as soon as accommodation is forthcoming.

(b) The transfer of Bengali, Tamil and Gujarati Sections from Delhi will not solve the difficulty as they are occupying considerably less space than that occupied by the Urdu and Hindi Sections.

QUOTA OF MUSLIMS FOR APPOINTMENT AS OFFICERS, ETC., IN INCOME-TAX DEPARTMENT.

515. ***Maulvi Muhammad Abdul Ghani:** Will the Honourable the Finance Member please state:

(a) the number of Muslim Officers appointed or proposed to be appointed out of the 39 officers proposed to be appointed during 1944-45 in the Income-tax Department; and

(b) the number of Muslims appointed or proposed to be appointed out of the 158 additional establishment under the Income-tax Department?

The Honourable Sir Jeremy Raisman: With your permission, Sir, I shall answer questions Nos. 515 and 516 together.

The information asked for is not readily available. I may, however, assure the Honourable Member that appointments to these posts will be made in

accordance with the instructions issued by the Government of India regarding communal representation in the Department.

QUOTA OF MUSLIMS FOR APPOINTMENT AS DEPUTY SUPERINTENDENT ETC.

†516. *Maulvi Muhammad Abdul Ghani: Will the Honourable the Finance Member be pleased to state:

(a) the number of Muslims appointed or proposed to be appointed out of the 1,296 posts of Deputy Superintendents, Inspectors and other executive subordinates proposed to be appointed afresh during 1944-45 as provided in the Budget Estimate for 1944-45;

(b) the number of Muslims appointed or proposed to be appointed out of the 3,151 Additional Establishment proposed to be appointed during 1944-45; and

(c) the number of Muslims out of the 6 marine, 617 inferior, 14 medical and 386 temporary Establishments proposed to be recruited during 1944-45 as proposed in the Budget Estimates?

SUPPLY OF THE AJ OF BENARES TO CONGRESS WORKING COMMITTEE MEMBERS.

517. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) whether the *Aj*, a daily Hindi newspaper of Benares, applied for permission to be included in the list of papers which are now supplied to the members of the Congress Working Committee under detention; and

(b) what reply Government have given, whether they are prepared to include this newspaper in the said list; if not, why not?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) Government rejected the application since they considered this newspaper unsuitable for supply to the Members of the Working Committee, who receive a large number of other newspapers.

Sardar Mangal Singh: May I know whether this very paper is being supplied to Babu Rajendra Prasad, one of the members of the Working Committee?

The Honourable Sir Reginald Maxwell: I am not aware of that.

LETTER OF TAJ COMPANY OF LAHORE TO MAULANA ABUL KALAM AZAD.

518. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) whether Messrs. The Taj Company, Limited, Lahore, sent a letter through the Government of India to Maulana Abul Kalam Azad requesting him to give permission to them to publish his translation of the Holy Quran;

(b) whether it is a fact that the same was not forwarded to the Maulana Sahib, but that it was returned to the sender without assigning any reason;

(c) whether there was anything objectionable in the letter itself, or the refusal was due to the fact that no letter could be sent to him from other than a relation;

(d) whether Government are aware that it will cause great disappointment to numerous readers of the Holy Quran if his translation is exhausted in the market; and

(e) whether Government propose to reconsider their decision and allow the letter in question?

The Honourable Sir Reginald Maxwell: (a) to (e). I would invite the Honourable Member's attention to my reply to question No. 443 put on the 15th March by Maulana Zafar Ali Khan.

Sardar Mangal Singh: What is the answer to part (e)? This is not covered by that question.

The Honourable Sir Reginald Maxwell: Yes, it was. I said in answer to the original question that the letter was withheld in accordance with the rule under which correspondence with the Working Committee is restricted to private and domestic matters with members of their family.

†For answer to this question, see answer to question No. 614.

ARREST OF RAJ SINGH RANA.

519. *Sardar Mangal Singh: Will the Honourable the Home Member please state:

(a) whether it is a fact that Raj Singh Rana was arrested in Karol Bagh on the 25th January, 1944;

(b) whether he went on hunger strike as a result of which he fell ill;

(c) whether he was sent to the Irwin Hospital for treatment;

(d) the disease from which he was suffering; and

(e) whether he has now been completely cured?

The Honourable Sir Reginald Maxwell: (a) Yes.

(b) The answer to the first part is in the affirmative. Raj Singh Rana suffered from the effect of being on a hunger-strike but not from any illness.

(c) Yes.

(d) None.

(e) Yes.

BIHARIS IN THE INCOME-TAX DEPARTMENT.

520. *Mr. Kailash Bihari Lall: Will the Honourable the Finance Member be pleased to state:

(a) how many Commissioners of Income-tax there are, and how many of them are Indians;

(b) how many Assistant Commissioners there are in each Province; and if there is any Bihari Assistant Commissioner;

(c) the total number of Income-tax Officers, and how many of them are Biharis; and

(d) the total number of Biharis employed in the Income-tax Department below the rank of Income-tax Officers?

The Honourable Sir Jeremy Raisman: (a) to (d). The information is being collected and a reply will be laid on the table of the House in due course.

Mr. Lalchand Navalrai: Will the Honourable Member also be able to get information pertaining to the Sindhis?

The Honourable Sir Jeremy Raisman: If the Honourable Member will put down a question.

Dr. Sir Zia Uddin Ahmad: Surely, with regard to (a) the Honourable Member does not want time to collect the information? I could give it to him.

The Honourable Sir Jeremy Raisman: There are other particulars of the question which do require time to collect the information.

CLOSED AND SECTIONAL HOLIDAYS IN EXTERNAL AFFAIRS DEPARTMENT, ETC.

521. *Mr. Kailash Bihari Lall: Will the Honourable the Home Member be pleased to state:

(a) whether it is a fact that the staff of the External Affairs, the War, and the Supply Departments of the Government of India are not getting the benefit of the gazetted closed holidays and sectional holidays, if so, why; and

(b) how many closed and sectional holidays were not observed this year in each of the above Departments?

The Honourable Sir Reginald Maxwell: (a) and (b). The approved Gazetted and sectional holidays are being fully observed in the Supply Department, but the War Department, including the Defence Headquarters, and the External Affairs Department do not close entirely on any holidays. In the War Department, the number of gazetted and sectional holidays which can be taken by the civilian staff have been limited to ten in a year, while in the External Affairs Department such holidays are granted to the members of the community concerned.

DESIRABILITY OF LORD BUDHA'S BIRTHDAY BEING OBSERVED AS PUBLIC HOLIDAY.

522. *Mr. Kailash Bihari Lall: Will the Honourable the Home Member be pleased to state:

(a) what occasions have been declared by the Government of India to be observed as public holidays;

(b) if it is not a fact that birthdays of such world teachers as Rama, Krishna, Christ and Mohammad are observed as public holidays under the authority of the Government of India; and

(c) why the birthday of Lord Budha has not been included along with the four named above?

The Honourable Sir Reginald Maxwell: (a) The power to declare a particular day as a public holiday in a Province under Section 25 of the Negotiable Instruments Act, 1881, has been entrusted to Provincial Governments with their consent though the Government of India have reserved to themselves the power to declare a day as a public holiday throughout British India. The latter power has been exercised by the Government of India once in recent years, namely, on the 21st May, 1943, in celebration of the overthrow of the Axis Forces in Tunisia.

(b) No.

(c) Does not arise.

SECTION 93 ADMINISTRATION IN BIHAR.

523. *Mr. Kailash Bihari Lal: Will the Honourable the Home Member be pleased to say:

(a) when the "Proclamation of Emergency" was declared in Bihar, and whether it has ceased to operate now;

(b) what powers and responsibilities the Governor General in Council assumed during the existence of grave emergency in Bihar;

(c) if after the Proclamation of Emergency restoring of order was the responsibility of the Governor General in Council;

(d) if the detention of untried persons under the Defence of India Rule 26(b) with a view to restoring and maintaining order was the responsibility of the Governor General in Council;

(e) how many persons were thus detained under the authority of the Government of India; and

(f) how many persons thus detained under the authority of the Government of India have been released upto now?

The Honourable Sir Reginald Maxwell: (a) The "Proclamation of Emergency" under section 102 of the Government of India Act, 1935, was made by the Governor General on September 3rd, 1939; it applied and continues to apply, to the whole of British India and not only to Bihar.

(b), (c) and (d). I would invite the Honourable Member's attention to the provisions of sections 102 and 126A of the Government of India Act, 1935.

(e) No persons were detained in Bihar under the orders of the Central Government for the purpose of restoring and maintaining order.

(f) Does not arise.

ALLEGED BRIBE TO INCOME-TAX OFFICER, GAYA.

524. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Finance Member kindly state whether it is a fact that one Gurusharan Lal of Gaya (Bihar) deposed on the 6th May, 1941, before the Income-tax Commissioner, Bihar and Orissa, in a departmental enquiry that he had paid a bribe of Rs. 3,000 to an Income-tax Officer of Gaya for which there was no proof and no book entry? If so, do Government propose to place the statement of the said Gurusharan Lal on the table of the House? Is it a fact that, later on, on the 11th August, 1941, the said Gurusharan Lal changed his former statement, dated the 6th May, 1941, by saying that instead of his himself paying the alleged bribe to the Income-tax Officer, Gaya, as previously deposed, the said bribe was paid through his cousin, Lachmi Narain and, instead of no proof and no subsequent statement that there was some sort of cash entry for a part of the alleged sum of bribe in a booklet?

(b) Is it a fact that the said Gurusharan Lal further deposed that the said bribe was paid on behalf of a Limited Company, Messrs. The Gaya Sugar

Mills of which he was the Managing Director, and that Gurusharan Lal falsified the Mills account by recouping the alleged sum of bribe by making fictitious entries in the Mills accounts supported by bogus vouchers? Do Government propose to lay the said statement on the table of the House?

(c) Was a pardon given to the said Gurusharan Lal? If so, under what law and rule? Are Government aware that the Bombay High Court in *Re: Chhagan Daya Ram* (reported at page 331, 14 Bombay) have strongly deprecated such procedure being wholly unwarranted by any law, and that "it ignores the salutary influence of Penal Law, while it tends rather to excite false charges and false evidence from which no one would be safe, however high his position or excellent his character might be"?

(d) Has any action been taken to reassess the Gaya Sugar Mills for 1938-39 on the amount thus evaded by Gurusharan Lal and for which he paid the alleged bribe to the Income-tax Officer, Gaya? If not, why not? Did the said pardon as in part (c) to Gurusharan Lal cover only his complicity in the matter of giving the alleged bribe to the Income-tax Officer, Gaya, or also covered his admission regarding the falsification of the Mills account and the false statement of Income-tax return? If it did not cover the latter offences, why was no prosecution started against Gurusharan Lal under the Income-tax Act for the inaccurate return and the falsification of the Mills accounts?

The Honourable Sir Jeremy Raisman: With your permission, Sir, I shall answer Questions Nos. 524 and 525 together.

I am making enquiries and the replies will be laid on the table of the House in due course.

ALLEGED BRIBE TO INCOME-TAX OFFICER, GAYA.

525. *Maulvi Muhammad Abdul Ghani: (a) Will the Honourable the Finance Member kindly state what, according to Gurusharan Lal, the consideration was for which the alleged bribe was paid to the Income-tax Officer, Gaya? What was the claim in the Income-tax return, what was the final assessment made, and what was the result of the appeal, if any, preferred by Gurusharan Lal in 1938-39?

(b) Have Government examined all the three statements of Gurusharan Lal made against the Income-tax Officer, Gaya, on the 6th May, 1941, 11th August 1941, and 11th September, 1941? Is it a fact that the said Gurusharan Lal on his own admission committed the following criminal offences:

- (i) falsification of the company's account;
- (ii) defrauding the share-holders and the Auditor by making fictitious entries of expenditure;
- (iii) offering bribe to a public servant; and
- (iv) making false statements?

Has the Income-tax Commissioner informed the authorities concerned of the alleged offences committed by Gurusharan Lal? If not, why not?

(c) Is a letter purporting to be from one Mr. P. Mukherjee, Assistant Income-tax Commissioner, Bihar, on the file of the aforesaid case of the Income-tax Officer, Gaya? If so, do Government propose to place it on the table of the House?

(d) Is it a fact that no copy of the said letter of Mr. P. Mukherjee was supplied to the Income-tax Officer, Gaya? If so, under what rule was it withheld, and under what rule was it placed on the file?

(e) Has Mr. P. Mukherjee been ever questioned whether that letter is a genuine one?

(f) Have Government enquired from the said Mr. P. Mukherjee for having concealed the alleged incident of bribery from the Income-tax Commissioner for over a year?

(g) Do Government propose to enquire into the matter?

(h) Has any step been taken against Mr. P. Mukherjee for withholding this serious information for such an inordinate length of time? If not, why not?

*For answer to this question, see answer to question No. 524.

(i) On what date was the alleged letter of Mr. P. Mukherjee obtained by the Income-tax Commissioner, Bihar and Orissa? Why was it not shown to the Income-tax Officer, Gaya, as required by the Civil Services Classification Control and Appeal Rules (Rule 55) and why was Mr. Mukherjee not submitted for cross-examination as the letter was clearly a "circumstance" within the meaning of Rule 55 of the rules cited above, which lays down that the officer charged should, in addition to the direct evidence be also supplied with "any other circumstances which it is proposed to take into consideration in passing orders on the case"?

QUOTA OF MUSLIMS FOR APPOINTMENT AS ASSISTANT COLLECTORS OF CUSTOMS.

526. *Maulvi Muhammad Abdul Ghani: Will the Honourable the Finance Member be pleased to state:

(a) the number of Muslims out of the 14 Assistant Collectors of Customs, proposed to be appointed during 1944-45 under the Customs Department;

(b) the total number of Officers at the headquarters and at the various ports under the Customs Department and the number of Muslims therein; and

(c) whether Government propose to appoint an adequate number of Muslims in the Additional Temporary Establishment under the Customs Department for which Rs. 2,59,100 has been provided in the next year's Budget?

The Honourable Sir Jeremy Raisman: (a) The Honourable Member has presumably based this question on the numbers of Assistant Collectors of Customs for the years 1943-44 and 1944-45 appearing on page 3 of the Book of Demands for Grants for the year 1944-45. The Number "1" shown under 1943-44 is a printing mistake for "17". The question of making new appointments does not, therefore, arise.

(b) and (c). The information asked for is not readily available. I can, however, assure the Honourable Member that appointments to these posts will be made in accordance with the instructions issued by the Government of India regarding communal representation in the Department.

LETTER OF TAJ COMPANY OF LAHORE TO MAULANA ABUL KALAM AZAD.

527. *Mr. K. S. Gupta (on behalf of Qazi Muhammad Ahmad Kazmi): Will the Honourable the Home Member please state:

(a) if it is not a fact that purely personal and domestic correspondence is allowed to the President and the Members of the Congress Working Committee;

(b) if it is a fact that Maulana Abul Kalam Azad has written a commentary on the Holy Quran, which has been published long ago;

(c) if it is a fact that about the end of February, Taj Company, Limited of Lahore, who are publishers of oriental literature, addressed a letter to Maulana Abul Kalam Azad in respect of his commentary on the Holy Quran which they wanted to reprint;

(d) if it is a fact that that letter of the Taj Company, Limited, was withheld by Government, and that it was not allowed to reach Maulana Abul Kalam Azad; and

(e) whether Government have considered the advisability of allowing such personal letters to the President of the Congress?

The Honourable Sir Reginald Maxwell: (a) Yes; but with members of their families only.

(b) to (e). I would invite the Honourable Member's attention to my reply to question No. 443 put on the 15th March by Maulana Zafar Ali Khan.

COMMUNAL COMPOSITION OF THE STAFF OF INSPECTING ASSISTANT COMMISSIONER OF INCOME-TAX, AMRITSAR.

528. *Khan Bahadur Shaikh Fazl-i-Haq Piracha: Will the Honourable the Finance Member please state:

(a) the composition of the personnel of the office of the Inspecting Assistant Commissioner of Income-tax at Amritsar; whether any of the office staff is a Muslim; and

(b) if it is a fact that the majority of the officers of Income-tax posted at Amritsar are men who are temporary hands; if so, whether the Honourable Member proposes to consider the appointment of some permanent officers, with a reasonable proportion of Muslims, and also to look into the personnel of the office of the Inspecting Assistant Commissioner so as to appoint certain Muslims in the office?

The Honourable Sir Jeremy Raisman: (a) and (b). I am making enquiries and a reply will be laid on the table of the House in due course.

DESIRABILITY OF APPOINTING A MUSLIM COMMISSIONER OF INCOME-TAX IN THE PUNJAB.

529. *Khan Bahadur Shaikh Fazl-i-Haq Piracha: Will the Honourable the Finance Member please state if it is a fact that the present Income-tax Commissioner of the Punjab is very soon leaving the job on retirement or otherwise? If so, do Government propose to appoint a Muslim Commissioner of Income-tax in the Punjab Circle, and to fill the vacancy of the Assistant Commissioner, caused by this retirement by a Muslim?

The Honourable Sir Jeremy Raisman: The reply to the first part is in the negative. The second part does not arise.

SALE OF GOLD BY RESERVE BANK OF INDIA.

530. *Mr. K. S. Gupta: (a) Will the Honourable the Finance Member please state the total amount of gold sold by the Reserve Bank of India for the last six months up-to-date?

(b) Is the sale exclusively intended as an anti-inflationary measure? If so, to what extent has inflation been checked? If not, why not?

(c) Have the sale proceeds of gold been totally used for the war expenditure in this country by His Majesty's Government and the United States of America?

(d) Do those Governments continue to sell gold to meet their war expenditure in this country in future, as they have been doing for the last six months? If not, why not?

(e) Did the Government of India ask these two Governments to finance their war obligations in India by sales of gold?

(f) Does not the import of gold from outside reduce the gap between India's exports and her restricted imports?

The Honourable Sir Jeremy Raisman: (a) I would refer the Honourable Member to the reply which I gave to part (b) of Mr. Neogy's unstarred question No. 47 on the 17th February, 1944.

(b) The Honourable Member's attention is drawn to paragraph 48 of my recent Budget Speech.

(c) Yes.

(d) I am not prepared to give any further information on this subject.

(e) I would refer the Honourable Member to the remarks I made on the subject in the course of my reply to the general discussions on the Budget.

(f) Yes.

EXPECTED IMPORTS OF CONSUMER GOODS.

531. *Mr. K. S. Gupta: (a) Will the Honourable the Finance Member please state Government's estimate of increased imports from abroad of consumer goods in 1944-45?

(b) What are those goods?

(c) How are they to be distributed from province to province or from State to State?

(d) What specific measures have they so far taken for a substantial increase in the production of such goods within the country?

(e) What is their programme in these respects for the ensuing year and the years following until the normal conditions are restored?

The Honourable Sir Jeremy Raisman: The question will be replied to by my Honourable colleague, the Commerce Member.

[Mr. T. T. Krishnamachari.]

more load upon it. When it was pointed out to him that the bulls would not pull if he went on loading the cart in that manner, he retorted, "I am not loading the bulls. I am only loading the cart." It seems that it is a matter of indifference to Government that the people who are concerned in the manufacture and marketing of these goods and those who consume tobacco will be affected by the imposition of this additional tax burden. What matters to them is that since a tax has been imposed last year they expect now an increased revenue from that source. I say that there is absolutely no case at this stage for any enhancement of the rates of this tax and I would like the Honourable the Finance Member to vouchsafe to us the reasons for this step and not merely a reiteration of those contained in his Budget speech. We want some valid, some definite experience of his department which shows that this enhancement of tobacco tax is called for.

I shall not dilate at length on the tax on coffee and tea as I am sure many other Members of this House will be speaking about these items of taxation but I would like to mention here one fact about coffee. Coffee is not in the same position as tea. It is not a product that is cured before being marketed. It was pointed out to me by an Honourable Member of the other House who has the experience of having lived amongst coffee fields, how coffee is picked over a long period, that it is being picked by the common people and sold in small quantities. Whatever the result of this tax will be, one thing is certain, that it is going to eliminate the small man from this trade and it is going to harass a lot of people who want to continue a trade to which they have been accustomed all along.

So far as the last and novel tax is concerned, the tax on arecanut, wrongly called betel-nut, I am sorry to see that Mr. Greenfield is not here as apparently the idea of taxing this product emanated from him, being the taxation expert and tax adviser to the Honourable the Finance Member and something that I had to say on this occasion will have to be postponed to a later occasion when he is here. However, I will now say this. I am not in possession of all the information that the Government have collected in regard to the marketing on this article but I do know that it is impossible to collect this tax from a number of people who consume arecanuts, because it is being used in various ways and in various stages. It is true that some people use arecanuts which are processed. Probably you can collect tax on that. Such nuts were also imported in the past. Tax collection may not be very difficult in regard to that category. It might often happen that so far as the inferior quality of arecanuts, is concerned, which is processed, the value of that inferior quality may be equal to the amount of the tax that you are going to levy. So far as the raw arecanut is concerned, I would ask the Honourable the Finance Member if he knows how it is being used, if he knows that it is being picked by people, particularly those who reside in the West Coast of South India and in the extreme south of India, and stowed away with the kernel for it to get seasoned. Are you going to tax arecanut with the kernel along with it or are you going to exempt people who keep it at home with the kernel on. I think it is an insult to the intelligence of this House that they should be asked to approve of a species of taxation where the Government itself is not fully aware of the process through which this product goes, at what stage will it be taxed and how many people will be exempted? I repeat that this uncertainty is one of the evils arising out of that Central Excise Consolidation Bill which this House passed some time back.

The Honourable Sir Jeremy Raisman (Finance Member): Is the Honourable Member flattering the intelligence of this House by saying that the Government have not investigated those points?

Mr. T. T. Krishnamachari: The thing is that you are testing the intelligence of this House in asking them to guess, instead of disclosing the whole process of governmental thought in devising this tax. You could have told us something in your budget speech.

The Honourable Sir Jeremy Raisman: I had to summarise quite a lot in my budget speech. Even so it takes two hours.

Mr. T. T. Krishnamachari: Quite a lot of it could have been left out and people who are being taxed could have been told exactly why and when they are to be taxed. Be that as it may, the Bill here refers to this particular product, betel-nut, in the Schedule . . .

The Honourable Sir Jeremy Raisman: 'Cured'. That answers many of your points.

Mr. T. T. Krishnamachari: We want a more detailed definition of that word. When the clauses of the Finance Bill are taken up for discussion, I think the Honourable the Finance Member will hear a little more about it. At the moment, with the information that has been vouchsafed to us, I should presume that the knowledge that the Government have, with regard to the methods of consumption of this particular article, the manner of use to which it is put and the trade processes through which it passes, is extremely green.

Sir, I would like to refer, before proceeding to the other subjects that I have before me, to the question of taxes on income and to the Excess Profits Tax. It is true that I am not in the position of my friend from my Group who spoke the other day, and who could speak from personal experience and whatever I say must to a certain extent be in the nature of an academic discussion. I would like the Honourable Member to tell us if before raising this question of compulsory deposit from one-fifth to nineteen-sixtyfourths whether he did visualise the prospect of the income from E.P.T. falling off some time and whether also he did consider the alternative method of tapping excess incomes, instead of excess profits. It is certain, as was mentioned by my friend speaking before me, that this question of immobilization of whatever resources an industry might be left with is going to put it to a lot of trouble. It may be that all industries will not be placed in this condition, however honest industrialists will certainly have trouble, unless it be that they have been in business for a long time and have accumulated and kept considerable reserves on hand. I am not speaking of cases, which definitely do exist, of industrialists and business men making secret profits. But you are not going to tap those secret profits by this process of immobilization of the balance of the Excess profits in this hands. But so far as this particular proposal stands before us, I have a problematical case before me and if the House would permit me, I would like to give it a few figures about this matter. It is problematical to the extent that many of such problems have to be imagined and I would like to tell the House how absurd it is even as an instance which is likely to materialise even if it be that there are various other extenuating factors which might figure in actual cases. I am speaking of a person with an income of 5 lakhs with a standard profit of Rs. 36,000 or less. There are other factors like depreciation, bad debts and so on of which benefit will be given to business men if it happens that these exist but where no such counter-vailing advantages exist, in the case of an income of 5 lakhs of rupees with a standard profit of Rs. 36,000, the amount liable for the assessment of excess profits tax will be Rs. 4 lakhs 64 thousand and the excess profits tax will be Rs. 3,96,334. So, he will be left with a balance of Rs. 1,54,666 and if we add the standard profit on to it, it makes Rs. 1,90,666. These figures were checked by a friend who is in the know and who has been kind enough to go through them for me and so I can safely say they are correct. On this Rs. 1,90,666, the income-tax and surcharge will be Rs. 51,424, super-tax and surcharge will be Rs. 59,041 and the balance left on hand will be 80,200; from out of this amount he will have to pay 19/64ths of the E.P.T. as deposit and this amounts to Rs. 91,833. If a man has to pay Rs. 91,833 as E.P.T. deposit from out of the balance income of Rs. 80,201, left to him, I leave it to the arithmetical genius of the Finance Department to find out what amount of money he has got to find from his capital?

Sir Gomasjee Jehangir (Bombay City: Non-Muhammadan Urban): Is this a Firm or a Company?

Mr. T. T. Krishnamachari: I am talking of an individual; it might be a firm. But, as I said, there is no particular sanctity about this problematical case. This is a problem which shows that there is a certain amount of absurdity in the process of taxing people in this manner. I am only trying to point out to the Honourable the Finance Member that a greater and more detailed examination and greater care are certainly needed and I do not know what his advisers have told him about the wisdom of this particular excess charge that he has decided to levy on such incomes. It may be that some amount of the money will be returned to him after a period, but at the moment he will have to draw the money for paying the E.P.T. deposit either from his capital or borrow from somebody. I would like to impress upon the Honourable the Finance Member that there must conceivably come a time when you have collected all your taxes and the arrears, and then there will be quite a lot of such people who will be left broke. Let the Honourable the Finance Member here and now, apart from what happens to this Bill, consider the alternatives, by means of which he can relieve all such hard cases.

Sir, there are other matters that I would like to refer here and I find that much of what I will have to say will refer to the Commerce Department, the Supply Department and the Department handled by my Honourable friend the Honourable the Finance Member, who, so far as the Government of India is concerned, happens to be in the position of its Director of Economics. I am sorry to see that the Honourable the Commerce Member is not here.

Mr. N. M. Joshi (Nominated Non-Official): Did you give him notice?

Mr. T. T. Krishnamachari: Notice would not have made any difference. Besides, I am rather new to procedure followed in this House and I did not know it was necessary to give notice to Honourable Members of the Treasury Benches when speaking on the Finance Bill.

The next subject I would like to refer to is the recruitment by this Government of experts and special officers from abroad. I have not before me a complete list of the various officers recruited under this head. We have heard of two Dehydration experts who came into this country, Dr. Fiddler and Mr. Crawhall, from the Ministry of Food. I do not know what ideas they have of the temperatures prevailing in this country and I do not know what ideas they have of the quantity and the nature of the fuel available in this country. It is said that often times a very large quantity, almost bulk for bulk, or perhaps even a greater amount of fuel, is necessary to dehydrate a particular quantity of meat. Anyway, the rumour has it that the Dehydration experts have not been able to help very much, but I suppose their stay will only be temporary.

The House has had opportunities of raising the question of the appointment of the Steel Commissioner and his Statistical Assistant. In fact, it is not ordinarily possible to raise any serious question by way of interpellations and the attitude of the Government in this matter is scarcely helpful. It often becomes a matter of fencing between the Honourable Member and the questioner and very often, with the exception of few cases, Honourable Members opposite think that it is a very clever performance they have done in being able to shut out information. At this stage, I would like to protest against the attitude of any Honourable Member on the Treasury Benches who thinks that we are here to waste their time. We ask questions so that we can raise issues later and so that we may be armed with some information. To answer a question by fencing and by referring to old records which cannot be traced and by referring me to a record of 1937 and 1938, when the answer could be given in full on the floor of the House, is certainly not treating Members of this House with due consideration. Be that as it may, we have not been able to see what justification is there for the importation of the Steel Commissioner and his Statistical Assistant. I think the Government of India have had the services of a Steel Controller, an Indian who is quite an expert in his business. Is it because that he has become senile or he has become old or he has ceased to be efficient that there was a need for the importation of a Steel Commissioner?

My Honourable friend Mr. Neogy is going to deal with the question of coal and the name of Mr. Young, the Coal Commissioner, will certainly figure there. He has himself put a question in this House of the fact that one of the senior officers in the Coal Mines Department, an Indian, is quite an efficient man and is quite capable of handling the problem provided he gets the necessary assistance from the Government and the coal mine-owners.

Last year the Honourable Sir Jogendra Singh told us about the importation of an Irrigation expert. This Irrigation expert happened to be a person who has learnt his expert knowledge in this country. He was originally employed as an Irrigation engineer in the United Provinces. I heard that last year when there was a Conference of Irrigation Engineers in India at Simla Sir William Stampe, the new expert, came off rather badly.

Sir F. E. James (Madras: European): I cannot imagine that.

Mr. T. T. Krishnamachari: I am afraid I cannot supply the lacuna in the capacity for imagination of my Honourable friend from Madras. Emphasis was laid at the Irrigation Conference on tube wells engineering and I now hear that the United Provinces Government have placed orders to the tune of 12½ lakhs of rupees for tube well machinery. It is common-knowledge that people who come out to India as experts are also interested in pushing forward the interests of some manufacture in England. So, the province which suffered the most as a result of the importation of this expert is the United Provinces, other provinces having very effectively resisted his suggestions about tube wells.

Then, Sir, I heard of the Government of India procuring for the Punjab Government a Geologist from America, Mr. Savage. I do not know whether the request came from the Punjab Government itself. We find also reports of the Labour Member wanting an adviser from Britain. One man comes and goes and then another man comes in his place. I am sure the Labour Member, who is himself an Economist of no mean reputation, knows so well the needs and difficulties of his countrymen that he does not want somebody from England to come out to advise him. So far as my province is concerned, we have a nutrition research laboratory at Coonoor. A scientist was imported there some time ago whose name is Dr. Aykroyd and it was then said that the duty of this officer will be to train local scientists in this problem of nutrition research. But people come in this country and they stay. The climate of Coonoor is extremely attractive.

Then, there is another matter in which the attention of this House has been considerably excited. The Honourable Mr. Tyson had to answer many supplementary questions, in his own way, denying all implications suggested by Members of this House or rather turning a deaf ear to the implications. I refer to the appointment of Brigadier Wheeler to the chief post in the Archaeological Department. The Archaeological Department controls three Museums. Brigadier Wheeler's admitted experience is largely confined to Museums and the excavations of Roman antiquities. The three Museums that are under the control of the Government of India have now been closed to make room for W. A. C. (I.)'s and so on. It has also been said that certain publications of the Archaeological Department could not be brought out because of the lack of stationery. That is how the Department is now functioning. But so far as Britain is concerned, they seem to have taken very diligent interest in the Archaeological Department of the Government of India. Questions were being asked in the House of Commons as to what is being done for Indian archaeology. I would probably have to refer to European interests in various Indian things. The House is not convinced of the superiority of Brigadier Wheeler's qualifications and I am sure this gentleman ought not to have been imported. I think the person who is supposed to shoulder the responsibility for this matter is an Indian Member. I do not know how he agreed to this particularly atrocious proposition for one thing and for another to paying this gentleman a monthly salary of Rs. 2,250 when the revised scale of salary for this post is Rs. 1,600. And, then, he will get in addition so many other allowances, such as, the

[Mr. T. T. Krishnamachari.]

overseas pay, pension contribution etc. Is this the time, Sir, when the Government of India should come out with a proposal which would mean greater expense? Speaking as an Indian, speaking as a student of Indian history, speaking as one who takes pride in his own country, I would rather prefer that Indian archaeology did not progress rather than unwanted people from Great Britain should be foisted on this country as experts.

Sir, I have to refer to the Department of my Honourable friend, the Leader of the House. I found in the *Hindustan Times* of yesterday a very illuminating guess supported by certain facts. It has been rumoured times without number that there is an outflow of News Experts from Britain into this country who are ultimately housed in the Broadcasting House. The news personnel is being strengthened and whenever any personnel is being strengthened, it is being done by British personnel at the expense of the people of the country. Why this particular interest in news broadcast just now? There is already, I think a skeleton staff of the British Ministry of Information in Delhi who carry on very good work. If a special format of news is required for broadcast purposes surely they can help. Where is the need for more Britishers? In the Broadcasting House the work has been carried on well or indifferently by Indians all along and we probably get such news and such broadcasts as we deserve with which we are entirely satisfied. We do not want British experts to come and help us to make the quality of output of the all India Radio any better.

Sir, we have also heard of another expert, perhaps it may not be the proper place to mention it. I refer to Sir Archibald Rowlands, the expert in War finance. So far as his assistance to the Honourable the Finance Member in the matter of helping him in his defence expenditure is concerned, and with regard to the expenditure which the Honourable the Finance Member has to incur on the war needs of Britain and the Allied Nations in this country is concerned, we have not seen any tangible evidence. We do not know why people are imported and kept in the office, but we could make a shrewd guess.

One other expert, to whom I would like to refer, but he is not a war product, but I refer to that very enigmatic and elusive personality whose influence seems to pervade the whole field of economic activity of the Government of India, who is the gift to India of Sir James Grigg, I refer to the Economic Adviser. We wanted to know something more about the activities of this gentleman, something more of what he has done, but as I said, effectively, by a process of very agile and clever fencing, you have effectively shut out that information. Perhaps I will come to it later on. I will have to refer to Sir Theodore Gregory and the nature and quality of the advice he tenders to the Government of India, before I have done. I would therefore leave him at that.

Sir, another matter, while on this question of importation of experts. Sometime back in a Madras newspaper I read a message which emanated from its Delhi Correspondent who said that the Government of India are finding it very difficult to fill in the necessary personnel from the provincial staff, by reason of the fact that the Provincial Governments are not willing to spare competent men and therefore is seriously thinking of importing men from the Home Civil Service. I would like a contradiction of this from the Treasury Benches. I would be very happy to see that it is contradicted. But, Sir, if it is true, what happens to the parity between the Indian and the European element in the Indian Civil Service? What happens to the prospects of Indianisation of the services which will have to happen at the time when India will have to govern herself if more Europeans are brought in from the Home Civil service? Am I to take it that the Honourable the Finance Member's repeated statement in this House of the inadequacy of personnel was merely just a way of telling us what was to come, what he has in store for us. I am told, Sir, that so far as officer personnel is concerned, even now something can be done to properly

allocate the work, to carry on the work with the personnel that is available with the Government of India. It is for the Honourable the Finance Member and other Members of the Treasury Benches to say that the news about the importation of personnel from the Home Civil Service is right or wrong. But anyway, the country will view with great distrust and suspicion any further importation of experts, any further dumping of people on the Indian tax-payer and the Government had better be warned that they will not be doing anything to make Indo-British relations happier by implementing the contents of this rumour that I have referred to.

Now, Sir, I come to the economic activities of this country and I shall examine briefly how the Government are able to help the sons of the soil in protecting them against foreign competition. The House knows fully well of the activities of that notorious Corporation called the United Kingdom Commercial Corporation. I do not think it would be fair for me to take up the time of the House by telling this House what that Corporation is, or how it originated, but it will be sufficient for me to say that the *Economist* of the 13th November last has given a true pen picture of the nature and activities of this organisation, of which Britishers may well be proud. The *Economist* has stated categorically that the Corporation cannot be correctly described as commercial. It is commercial no doubt in its personnel and management, but its objectives are political. It was started as the spearhead of the trade offensive of Britain in the Balkan countries and has spread to the Middle East and has ultimately come to stretch out its hands as far as India. The exact position of U. K. C. C., *vis-a-vis* the Government of India has never been made known to us. As I said before even on this matter questions have been asked in this House. I asked the Honourable the Commerce Member specifically if he will still deny that U.K.C.C. enjoyed a monopoly of exports to Persia from India notwithstanding a statement to that effect made by the President of the United Kingdom Commercial Corporation, Sir Francis Joseph; he answered the question in the affirmative. Vague denials and vague assurances are all that we have got from the spokesmen of this Government. But then, Sir, there is the other side to the picture. There are certain aspects of British commercial life which are not kept away from the people of that country. They are not in the same unhappy position as the people of this country. There is a democracy ruling there, and people had to be assured that when a monopolist corporation of this nature was started, that it was started with the best of intentions, that it was doing good to the country which it is intended to serve. Dr. Dalton in the House of Commons said that in the matter of allocation of shipping space, the U. K. C. C., was the Agent of the British Government. Again, Sir, the Chairman of the U. K. C. C., Sir Francis Joseph, stated very categorically that India was one of the major supply bases of the United Nations and with the help of the Government of India, the Corporation lost no time in drawing on these sources for supplies urgently required. The prompt shipment of Indian wheat saved Persia from the rigours of famine in the spring and early summer of 1941. There was no such prompt shipment so far as Bengal is concerned to save her from a similar plight. Persia had received from India foodstuffs such as sugar, tea, manufactured goods such as cotton piece goods, raw materials and shipments ranged in bulk from over a thousand tons of cement to small parcels of pharmaceuticals. Syria, Palestine and other Middle East countries have drawn on India for supplies. Since the Corporation began its work, Russia was invaded by Germany and it was clear that part of Russia's needs can be met from India. I would like the House to mark this. Sir Francis Joseph spoke specifically of orders being placed through the usual trade channels in India for a long list of commodities of every kind and in very large quantities. The list covers such articles as hessian, gunny bags, rope, cotton canvas and hides, shellac, tea, groundnuts, tobacco and graphite. He said it is not possible to give details of actual tonnages, but the scope of the business done in India for Russia was indicated by the fact that one recent order was for 11 million gunny bags.

Sir, as against that picture we have been told that so far as the Indian Government is concerned, they do not think that the U. K. C. C. had a mono-

[Mr. T. T. Krishnamachari.]

poly of any particular article. And I should like here to mention the question of the export of tea. The export of tea seems to be passing largely through U. K. C. C. channels. I have here a letter written by a fairly big planter in Travancore. He says:

"As for tea, the Controller and the Commerce Department both inform us that exports on private account cannot be allowed. I still feel that the situation is intolerable. On the one hand our export quota rights are worthless and our internal market is glutted."

Sir, Mr. Griffiths is not here, but perhaps sometime before the end of this debate he will enlighten us as to what this tea control has done, how it has passed into the hands of the U. K. C. C. and how it has prevented exporters in India from handling their country's products. I have here before me the details of the case of a merchant in Karachi who was given licenses for export of tea from 1st April, 1943 till 31st March, 1944 for a thousand cases, the license numbers being 114 to 118. All of a sudden the licenses were cancelled by the Indian Tea Licensing Committee because of the fact that it was decided that no more private exports of tea were to be allowed. There is one other instance of this U. K. C. C. business, on which the information which the Government of India seem to have in their possession and the information that is being vouchsafed to us through other channels—very accurate too—are at variance. The other day I asked a specific question of the Honourable the Commerce Member as to whether the export of hides to Turkey was a matter of monopoly for the U. K. C. C., and the Honourable Member denied that it was so. Here I have got in my hands copy of a notice put up by the British Consulate at Istambul dated the 23rd November, 1943, relating to ox-hides, cow-hides and buffalo-hides, and it begins like this:

"The distribution of hides for Turkey will henceforth be made through the United Kingdom Commercial Corporation."

And some of the exporters of hides to Turkey have received advices in this regard from their agencies in Istambul as also from merchants in Baghdad. I will read an extract from a letter from a merchant in Baghdad to his correspondent in India. It is as follows:

"We have received a telegram from Turkey in regard to the skin in question. They say that only the British Company can import such stuff from India. Therefore there is little hope for us in this question."

The merchant in Baghdad is aware of this canalising of exports from India through one channel; the merchant in Istambul is aware of it; people who go to the British Consulate in Istambul are aware of it; but my Honourable friend the Commerce Member is not aware of it. I do not know who is to blame, he or his department.

Sir, last year I asked a question about certain European firms in this country purchasing cotton piece-goods which were being sold at much lower prices than what prevailed during the immediate past period, on account of a certain amount of distress selling which arose because of these Ordinances about the fact that European firms in this country took advantage of this distress selling to purchase cotton piece-goods obviously for export purposes. The question was asked whether these goods were intended to be exported through the U. K. C. C. The Commerce Member denied that it was so. But let me say here and now that so far as the action of the U. K. C. C. in this country is concerned, it seems to be that the Commerce Department and the Commerce Member know as little about it as perhaps I know of the secret instructions that the Secretary of State sends from time to time to the Head of the Economic Department of the Government of India. Sir, the operation of the U. K. C. C. in India is a cleverly disguised manœuvre. The U. K. C. C., as has been said, is the lineal descendant of the East Indian Company. But we are not in the year 1599, it happened to re-emerge in the year 1940 and hence the finesse with which the U. K. C. C. operates a finesse which is easily likely to throw dust into the eyes of Government of India departments, even if they want to be vigilant. They work through various agents in this country. Practically every

big European firm is their agent, and how are the Government of India to know what all the U. K. C. C. has done or is not doing? Sir, the Indian public are greatly exercised about the continuance of the operations of the U. K. C. C. One would like to be assured, at any rate now, that the U. K. C. C. will be a war-time product and it will leave the shores of India once the war is over. Dr. Dalton's statement in the House of Commons does not lend any support to that view. And taking advantage of a statement made by the Managing Director of the U. K. C. C. before a committee of the British Central European Federation of Chambers of Commerce, wherein he stated that after the war attempts will be made as far as possible to hand back the trade now handled by the U. K. C. C. to individual exporters, I asked if the Commerce Member was aware of that statement and whether he would make a similar statement on the floor of this House. There was no response. Sir, it is probably too late now to ask if really the Government of India had to help with the supply of products of this country purchased at controlled prices and to be sent to the United Kingdom or the various War Supply administrations, why did not they promote in India a corporation similar to the U. K. C. C.? Even a country like Argentina which is not in the war is said to have promoted a trade corporation for similar purposes. But the question will answer itself if we know how the Supply Department has been manned, who the experts in the Supply Department are, who the Controllers and Directors of the several sub-departments of the Supply Department are, who the honorary Controllers of the Supply Department are. When the Supply Department is manned by men drawn from out of the European commercial community in this country what hope can we have, even if a corporation is formed by the Government of India, that it would be Indian in personnel and Indian in outlook and that it will safeguard the interests of Indians?

Sir, that is one side of my case of the acts of commission and omission on the part of the Government of India in the matter of safeguarding the interests of Indians in this country. I have got a longer story in regard to a different aspect of the same question and that is the question of the promotion and safeguarding of industries. My Honourable friend, the Finance Member, said that his Government was committed more or less to a forward policy of industrialisation. I think that is for the post-war period and not for the current period. But be that as it may, I shall refer here to an authentic publication of the Government of India—I do not know which department published it, perhaps the Information Department—this publication is entitled "India's Part in the Fourth Year of the War". My Honourable friend, the Leader of the House, nods like Homer.

The Honourable Sir Jeremy Raisman: It is an Olympian nod!

Mr. T. T. Krishnamachari: I did not know that the Honourable Members were still in the celestial regions. Apparently they are. But let me go on with my case. I will read a paragraph from page 32 of this Government publication. The House will, I hope, put up with me for repeating what perhaps they are already aware of, but in order that I might focus their attention I will read that particular paragraph relating to Chemicals and Drugs Production—I will only deal with chemicals; I shall leave drugs out for the present:

"Production of various important chemicals such as sodium sulphide, sodium sulphite, 12 Noon, sodium thiosulphate potassium chloride, etc., has been established in the country." Where? That we are waiting to be told:

"As regards heavy chemicals, the production of caustic soda, bleaching powder, soda ash, etc., has been established. Action has been taken to import plants for heavy chemicals, namely, sulphuric acid, caustic soda, chlorine, ammonia and power alcohol. Plants for sulphuric acid and power alcohol are being obtained from U. S. A. through Lease-Lend. To meet the requirements of calcium carbide used in the engineering welding operations, a plant is being put up to produce 3,000 tons annually, in addition to small production totalling 900 tons, which has already started."

Sir, that is my bible and if I accuse the Government I shall accuse them only on the information vouchsafed to us in that particular paragraph which

[Mr. T. T. Krishnamachari.]

has undoubtedly emanated from some Government of India department. Perhaps the Members of Government knew nothing about it. Whoever prepared this brochure must have a picturesque imagination. I do not know if he received additional help by way of increasing his powers of imagination by some of that spirituous stuff that has been recently imported into this country. The Magna Carta, so far as industrial production in this country goes during war time, has been provided from out of the mouth of my Honourable friend, Sir Ramaswami Mudaliar, in his speech in this House of 12th March, 1940. You will please forgive me if I read one paragraph of his speech:

"But, I gave this assurance on behalf of the Government that we shall not put ourselves in a position to be liable to the same charge once more and that in case we in any form encouraged the development of industries for our war needs."

Very guarded, Sir. Sir Ramaswami Mudaliar has protected himself, the assurance comes into operation only in case the Government encourage the growth of any industry. I trust it was not presumed that they had no such intentions.

"...we shall make it clear that at the end of the war those entrepreneurs who had come to the assistance of the State and had developed such industries would not be left high and dry to take care of themselves."

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must not read long extracts from a speech which was made in this House.

Mr. T. T. Krishnamachari: Sir, it is a very short extract which I have read. I value it as being the Magna Carta for the industries that have been started. And, Sir, it was said in a booklet published by the Oxford University Press, a booklet produced by Dr. Lokanathan entitled "Industrial organisation".

"Four industries to have received these assurances are those engaged in the production of bichromates, steel pipes, aluminium and calcium carbide."

I am only asking how far what has been mentioned in this Government pamphlet in regard to the encouragement of chemical industries and what has been mentioned by Sir Ramaswami Mudaliar on the floor of this House, supported by the information that has been vouchsafed to us in this booklet of those four industries to be encouraged specifically—has been fulfilled. Sir, I have a fairly big case here and I am not quite sure whether I will tire the patience of the House if I deal with all the facts in my possession.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): That has been done.

Mr. T. T. Krishnamachari: I will go on with my case. Sir, my charge is that the Government of India did not encourage industries in this country; not only are these facts stated not accurate and are misleading but they the Government have actively helped—I won't even say connived at—actively helped in all attempts made by representatives of foreign industries in this country to sabotage the growth of the Indian chemical industry and that they also helped to divert such of the trade in chemicals that remained in the hands of Indian merchants on to the hands of foreigners. I will say, being ashamed of it, without mincing matters that the activities in India of another great corporation or another big Imperial corporation like U. K. C. C. they have allowed it to get absolutely a stranglehold over the Commerce and Industries and Supply departments of this Government—I refer to the Imperial Chemical Industries (India) Ltd. In this policy of encouraging industries, the first effort made by the Government of India was to borrow the services of Mr. Parker, an employee of the Indian Imperial Chemical Industries Ltd., as the Honorary Controller for Chemicals, and these Honorary Controllers, as the House are probably aware, are those who receive one rupee and do service just for the love of it.

Sir F. E. James: I have not seen even that rupee.

Mr. T. T. Krishnamachari: I will give you one rupee if the Government cannot afford it. Mr. Parker continued in undisputed overlordship of the future destinies of the Chemical Industries of India and of the chemical import trade of this country for some time until perhaps because of complaints some-

change was made and Mr. Parker left and Mr. Crerar came. The reason for mentioning these names is to show the emphasis that goes with it. They might be good people but still they come from a foreign commercial organisation and unless it be that one can develop the Jekyll and Hyde personality very effectively, one cannot forget the past affiliations. This, Sir, is the crux of the whole situation. European interests got a fillip both in the matter of stifling industries in this country and in the matter of getting a firm grip over the imports of this country because the controlling was largely European and had affiliations with the chemicals import trade of this country—I will now refer to ammonium sulphate. Sir, we have heard so much about conferences. I am sure, my Honourable friend, Sir Ramaswami Mudaliar, who is the originator of many conferences, having left this country found on his return that the business of those conferences had come to almost a standstill. I have heard that Indian industrialists were asked to take an interest in the promotion of this industry and they were consulted with regard to the starting of ammonium sulphate industry in this country. I have also heard a very, very interesting rumour in this connection that the famous Grady Mission Report, which is kept in *purdah*, is supposed to have recommended to their Government that the problem of food in this country was pretty serious, that the growth of food must be accelerated, that chemical manures needed ought to be supplied, as otherwise war effort will be seriously hampered—this was in 1942; they must be wise prophets—and they, therefore, recommended to their Government that plants for the manufacture of ammonium sulphate must be spared for India and the technical assistance necessary should also be provided for the erection of these plants in India. It is a rumour.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I am glad my Honourable friend has emphasised that it is a rumour.

Mr. T. T. Krishnamachari: The best way of contradicting that is to fling that Report on to us. But it is not fair. You are in possession of this information. You deny correctness of the rumour. I am not in a position to contradict it because you keep the information absolutely in *purdah*. Anyway, I will only say that the sanction behind my Honourable friend's denial is not very great so long as he will not disclose to us the information contained in that Report. Even what he says is guarded. We people who come from Madras are fairly chary of giving out the whole of our case; that is why Sir Ramaswami Mudaliar has been very very careful. But, Sir, there is one point in connection with the question of sulphate of ammonia. The Gregory Food Committee seems also to have recommended a target for the needs of sulphate of ammonia in this country and fixed the figures somewhere very near what the Grady Mission thought necessary. Sir, what happened after the Gregory Food Committee Report we do not know and how is this 350,000 tons going to be got at we are still waiting to be told.

I would like to say that there is at present a certain amount of local production of sulphate ammonia. It is a bye-product out of the steel and coke industry and the output is in the region of 20,000 tons, the distribution being in the hands of that great Corporation, the Imperial Chemical Industries of India. In 1943, this 20,000 tons was supplemented by an import of 34,000 tons under the difficult shipping conditions that now obtain undoubtedly, to aid the "Grow More Food" scheme in India. Actually this quantity was distributed largely for essential needs, such as planting estates, not to grow more food, perhaps so that the Honourable the Finance Member may tax coffee and tea and for industrial purposes. It is relevant to note that the shipments came from the United States and Canada and not from the United Kingdom as my information discloses. I do not know how it was financed. It did not come under lease-lend. It might have been that the money for it came from the dollars spared by the Empire sterling pool. It is a fact that in the past the imports of sulphate of ammonia to India was not even taken into consideration by the Commerce Department while granting import quotas for the quantity imported last year as the entire quota was allotted to the I. C. I. One firm

[Mr. T. T. Krishnamachari.]

in Bombay had imported two shiploads of it from Russia in the past. I think this commodity comes duty free, and in spite of that fact, the price is now about Rs. 230 a ton as compared with Rs. 100 some time back. The quantity of sulphate of ammonia that the Gregory Food Committee envisaged is not there, but only 34,000 tons has come from abroad and 20,000 tons is produced locally. At the same time I say that this attempt to start this industry in this country should not be given up.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Who said it was given up?

Mr. T. T. Krishnamachari: Well, we have heard nothing more about it. It is more than a year that we have last heard about it. If Government is serious about it, they should know that it can only be started under Government auspices and perhaps only with a Government subsidy. Even in England in 1930, the British Government gave a big subsidy of £3½ millions to the producers and in spite of that fact they had to come to an arrangement with the German cartel before putting their goods in the world market. Before the war it is said that the production of sulphate of ammonia was twice the requirements of the whole world and now this country cannot get a fifth of her needs. The patents used for its manufacture are said to be German patents. If the Honourable Member is able, he should get those patents for starting this industry in this country. Considering my friends in the European group are so much interested in the welfare of the agriculturists according to the views they expressed last Budget Session on the budget speech of the Finance Member.

The other industry mentioned in my bible is the carbide industry. I have not heard anything about the 3,000 tons plant that was to be erected. All that I did hear was that an Industrialist in this country engaged the services of a European chemist and paid him somewhere to the tune of half a lakh of rupees. He spent more money on prospecting and in the end the whole thing had to come to a stop. It is also a fact that the Government of India assisted that Industrialist to the extent of asking the Director General of Indian Store Department to call for tenders in London for a carbide plant. The raw materials needed for this industry happen to be coke and lime. It is rumoured that the starting of this industry for the time being has been given up because some organization, some economic council behind the War Cabinet has prompted Mr. L. S. Amery to say that this is not the proper time for the starting of this industry. The House will be interested to know that the needs of carbide in this country approximate to about 500 tons a month, four-fifths of which comes from South Africa and the rest from Canada. All the raw materials needed are, as I have said, available in this country and I would like the Government to tell us why the industry has not been started.

Bichromate production has been encouraged and there are quite a number of Indian factories producing it. There are a couple of European manufacturers who produce bichromate for their own use—Binnys at Madras and Cawnpore, Chemicals at Cawnpore. But the production of all these factories is not up to capacity limit. The capacity limit I understand is 5,000 tons a year as things are today, and if production is not up to capacity limit it is because raw materials are not provided for these factories. They do not get sulphuric acid one month, soda ash another month and fuel a third month. What are the Supply Department doing about it? Consequently, local production cannot be stepped up. I will anticipate the argument which the Honourable Member might put out against this. He might say that it is uneconomical to produce locally. He might say that the cost of production locally is higher than the imported cost. Yes it is true. As it is, the whole scheme for distribution of bichromate is managed by Government. What does it matter if you have to spend Rs. 10 or Rs. 20 per cent, more so long as the industry can be permanently established in India? So far as the cost of production in this country is concerned, it has risen because the raw materials for this particular industry are not controlled and the prices

have shot up by 250 per cent. If the assurances given categorically by the Honourable Sir Ramaswami Mudaliar on 12th March 1940 are to be carried out, if there is any truth in this booklet, the imports of bichromate ought to be stopped. The fact remains that the I. C. I. are given an import quota of 250 tons of bichromate a month.

I could give any number of instances of a similar nature which would go to prove that this big company enjoys in this country as a huge monopolist concern, as a large mercantile concern in India, which also has as a trading organisation of its own, is therefore in a position to say 'no' to anybody who wants heavy chemicals from it, if it is to be used for any chemical industry.

I referred at the outset to one industry which got an assurance from Government, i.e., the ammonium chloride factory in Amritsar. It has to depend on the I. C. I. for the supply of ammonium sulphate of 25 tons a month. But it happens that the owner of this factory is very unwise. He does not know that he should not tread on the corns of the people who are keeping him alive. He has been selling his product at Rs. 5 below the price of the I. C. I. He forgets that the management of priorities is in the hands of people who are very willing and helpful to keep up the prestige of the I.C.I. The result is that this industry at Amritsar is dying.

I would like to refer to the case of soda ash which has been referred to in the Government Booklet.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): If you go on talking on all the chemicals, you can go on for one month.

Mr. T. T. Krishnamachari: I see that the feeling is that I am shutting out the Honourable Member, but I will not take an unduly long time.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): But this is very important. Let him go on.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris: Muhammadan): Which is not important? Everything is important.

Some Honourable Members: Go on.

Mr. T. T. Krishnamachari: If Honourable Members will not interrupt me, it will be to their own benefit. There is a factory at Dhrangadhra producing about 18,000 tons a year. The Tatas are putting up a factory at Mithapur, which will produce 20,000 tons. The I.C.I. under the name the Alkalies and Chemical Corporation have a factory at Khewra, which has got a similar or a little greater capacity. It does happen that so far as the glass industry is concerned, it needs a lot of soda ash about 10,000 tons a year, but it cannot take up all that quantity now because of the lack of coal which has slowed down production. Textiles and soap production take up a similar quantity, but the largest consumption comes from the dhobies which is somewhere in the unestimable region of 40,000 to 60,000 tons a year. But if really there is a possibility of getting about 60,000 tons locally from the various sources, provided the manufacturers are willing to produce—for instance, in the case of the I.C.I. since they are importers they may not be willing to manufacture, why does it happen that the quota given to the I.C.I. for the current half year January to June comes to 48,000 tons, which means 96,000 tons a year against a maximum need in this country of about 100,000 tons? What is to happen then to the output of the factories that are functioning in this country? What is really the game behind all this? So far as caustic soda and bleaching powder are concerned, we had the Mettur Chemicals in existence from before the war, the Tatas are more or less a war product, the Alkalies and Chemicals Corporation also started before the war and all together can only produce a very small quantity of 4,800 tons if they are in full production. Last year even on the short supply basis the country consumed an imported quantity, imported of course through the I.C.I. of 42,000 tons, and what is the use of this blue book saying that the country has started making caustic soda and bleaching powder? I shall not refer to other chemicals here; because I could refer to a number of other instances where I.C.I. enjoy an

[Mr. T. T. Krishnamachari.]

import monopoly, but I will merely say this. What is really the key to the situation? If there is an industry which needs raw materials, Government would not interfere on behalf of the industries to get them the raw materials required. But at the same time these people, the I.C.I., who start an industry would not direct their energies to producing more but would prefer to import. Why then this partiality for the I.C.I. in this country?

Before I close I would like to refer to two questions which have been asked in this House so far as imports are concerned. So far as the I.C.I. are concerned, I did ask about hydro-sulphite of soda whether, though trading in this article is being done by several firms, the bulk of the imports, the monopoly is given to the I.C.I. A question was asked by Mr. Jammadas Mehta, I believe, on the question of dyes, and my Honourable friend, Sir A. Ramaswami Mudaliar, answered on behalf of the Commerce Member. I asked him categorically if it was not a fact that in the quota given for January-June 1944, 90 per cent. of the quota was given to the I.C.I., and 10 per cent. was to be equally distributed between Indians and representatives of Swiss manufacturers. About 2,000 tons are being imported from U. K. and 800 tons from U. S. A. There was really no answer because there was no information available as the Honourable Member who answered was not in actual charge of the Department. The point is this. So far as the I.C.I. is concerned they were big importers of chemicals before the war but they were not big importers of dyes. It was in the hands of a German cartel, and when the German cartel disappeared, the I.C.I. became the lineal descendants of the German cartel, and they are now having a stranglehold over the whole trade and naturally they must get preference in the matter of all imports. That seems to be the logic, that seems to be the argument, but it is a fact that when the German Dye Corporation was functioning in this country the distributive trade was largely in the hands of Indians. I understand that there was a Bombay firm which enjoyed nearly one-third of the trade in dye-chemicals. That being so, I would like, for the information of the House and for the information of the Honourable Members on the Treasury Benches, to tell them this. In response to a letter from a fairly big firm in Bombay to the I.C.I. asking for certain chemicals, I suppose, dye chemicals, the response was, "We regret that we cannot promise you any supplies of chemicals direct, as through our very extensive depot organisation, we ourselves are catering for the cottage Dyeing and Handloom industries".

Sir, the story of the I.C.I. can be sung in verse. It is one of the biggest products of British imagination, and as I said, it has a stranglehold over the economic life of even Britain. It controls chemical merchandising so far as this country is concerned, and also the trading in chemical. Its future development lies not only in controlling imports but in extending their own trade, and that is why my Honourable friends on my left were so anxious for the welfare of the agriculturist, in order to help the calf to be fattened, on which they wanted to feed. The House is perhaps aware of some interesting reports of proceedings that are being taken in the other hemisphere of this world against this corporation. This corporation is accused of being not patriotic, not supporting the war effort, of even sabotaging it. But be that as it may, our information is only from press cuttings. I should like to say here this. Some time last year in the *New Statesman and Nation* there was an article about the controversy raging in England about the monopolist position occupied by the I.C.I., and Lord McGowan, Chairman of the company, is said to have advanced the very curious argument that in the case of such a large concern as the I.C.I. its interests are identical with those of the nation. I ask, whether, applying the same argument since the interests of the I.C.I. are identical with the interests of the British nation, as this country happens to be dependent upon Britain, therefore their interests must be identical with those of the Government of this country, and it is for that reason the latter are supporting the I.C.I. not only from the point of view of import trade, but also in the matter of stifling all production in this

country and in the matter of defeating the very objects to which they stand committed, by recourse to all measures that human ingenuity might conceive of. I have done with this part of my speech. I have nothing to do with the I.C.I. I have done with this part of my speech. I have nothing to do with the I.C.I. I do not happen to be a shareholder in the concern, and it is often said that you never know in England, at any rate, some of the big persons have an interest in it and that is why the concern is being supported, and that is the reason for the political influence which it wields in a very large measure. But so far as I am concerned, I have nothing against them, I have nothing for them, except that it is an anti-Indian concern from the very nature of its position. And unless the activities of that concern are controlled by the Commerce, Industries and Finance Departments now, it is going to develop to be an octopus. Already it has spread its tentacles over several departments of the Government of India. Go to the Import Trade Control and try to get quota for chemicals, you will find that the I.C.I. have had a big slice because of past business in their own right and because they are the lineal descendants of all those who were doing business in the past. Whichever way it happens, it is heads I win, tails you lose. That is the concern which the Government of India have been encouraging wantonly or unwantonly.

One word more about this question of industrialisation. I would refer to power alcohol. Plants were said to be on the way, but I understand that they are not. It was also said that the Government of India had asked their purchasing agents to purchase ten more plants from the U. S. A. I will give them credit to this extent that they were trying to get plants, that they were circularising provincial Governments to step up the production of rectified spirit, that they were trying to get specifications from local firms for the manufacture of stills for making rectified spirits, and also. . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has already spoken for one hour and ten minutes.

Mr. T. T. Krishnamachari: If I am not irrelevant, Sir, I would beg leave to be allowed to go on.

Mr. President (The Honourable Sir Abdur Rahim): But there are other Members wanting to speak.

Mr. T. T. Krishnamachari: Am I to understand that the Chair wants me to finish?

Mr. President (The Honourable Sir Abdur Rahim): There are a number of other Members who want to speak.

Mr. T. T. Krishnamachari: I quite agree. I shall try my best to be brief. There are one or two points that I would like to press. This question of production of power alcohol has come to a standstill. So far as the initial work done by the Government of India is concerned, it has encouraged certain local sugar factories to undertake the manufacture of rectified spirits and also to manufacture power alcohol, where possible but the whole basis on which the Government of India took an interest in this is for this purpose. Power alcohol is intended to supplement gasoline available in this country, so that the fuel problem might be solved in part. We have had a drastic cut in the civilian consumption of gasoline in this country. It might even be that the cut is very nearly 50 per cent. and in order to offset further cuts or even to ease the position the Government of India took up this proposition and they gave a certain amount of encouragement to local factories to carry on this work. Rectified spirit that is now being manufactured is taken up in part for Munition production. Anyway, that demand is also tailing off. I would like to mention here that some of the Provincial Governments did embark on this venture. The U. P. Government encouraged the working of a factory in Meerut. I think they were producing about 500,000 gallons. I do not know the exact figure. Anyway they were producing power alcohol which the U. P. Government statutorily compelled the oil business to take up and mix with petrol, so much so that in the districts of Meerut, Bareilly and Agra, this mixed petrol was made available. Mysore has done the same thing. Travancore has also done the same thing, but with

1288

LEGISLATIVE ASSEMBLY

[20TH MAR. 1944]

[Mr. T. T. Krishnamachari.]

the Finance Secretary said that he was not going to disclose the information but that it would find a place ultimately in the Appropriation of Accounts for the year. I have got the latest Appropriation of Accounts for 1940-41 and it does reveal to me the position of the stocks of silver held by the Secretary of State but it does not make me any the wiser as to the transaction that took place later on. We are not yet aware of the total amount of money that this country has lost by the selling of silver. The Honourable the Finance Member's contention was that they did not sell silver at any price which was unjust. He further said that they had not sold silver at a price which was less than the acquisition price of the United States treasury and that the price in the Bombay market had nothing to do with the price in London. But why then should you sell at all? If you knew that the Bombay price was higher, then why should you sell at all in London? You wanted to sell because you wanted to get England out of a difficult situation, faced as she was by a shortage of silver. I have got cuttings from various English papers relating to that period, which speak with gusto that the Finance Member was quite right in putting the Indian Legislature off. That being the position, why did you not apply the same criterion in the present instance? If silver is to be sold, it is good enough to be sold at a price which is not below the acquisition price of the United States. But if gold is to be sold in this country, you have got to go to the Bombay market for determining its price. I do not know yet the amount of silver that has been sold, unless it be that I go back to 1934 when the paper currency reserve was liquidated. I see that the quantity of silver you held at that time was about 150 crores. I do not know why you should have to support this differential treatment in the matter of gold. Sir, I will ask the House to look at this picture and that. I want the House to realise the Government's attitude in the matter of the sales of silver. I think decency demands that this Government, even if they are mildly responsive to the shouts of people of this country, should stop this going on further. It may be said that 40 crores worth of gold was sold up to 1st of March—it may be even 60 crores. If the sales had been made by you, you would have made certain profit and there would have been no need to tax tea, coffee, betelnuts and you need not have raised the tax on tobacco.

The Honourable Sir Jeremy Raisman: What the Honourable Member has got to make up his mind about is whether he is prepared to accept the consequences of not taking anti-inflationary action.

Mr. T. T. Krishnamachari: The point really is that my Honourable friend wants me to commit suicide in any case.

The Honourable Sir Jeremy Raisman: But my Honourable friend argues in relation to an unreal situation. He is not dealing with the realities of the position.

Mr. T. T. Krishnamachari: My Honourable friend may be a realist but his arguments are faulty. He puts forward a dilemma before me and says: "You will have to accept this or that". I will tell the Honourable Member where he gets his line of argument from. This kind of specious argument seems to be coming from a particular source which seems to be behind you all.

The Honourable Sir Jeremy Raisman: I do not have to get my lines of argument from anybody. I am capable of thinking them out myself.

Mr. T. T. Krishnamachari: If my Honourable friend wants to take the credit for posing dilemmas which are fallacious, I do not mind it. I had a much better opinion of the Honourable Member's capacity for posing arguments. I think this thing about gold sales ought to stop and I think every Member of this House should get up and say that this ought to stop.

Sir, I wish to make a very brief reference to the question of sterling balances and then conclude. As I said before, circumstanced as we are the very nature of these balances is such that they are bound to accumulate. Naturally, the people of this country are nervous about it not merely because of the fact that

this sterling credit is immobilised and you cannot take it out of England but because of the very nature of the concessions that are discussed here and elsewhere on the question of the liquidation of these balances. I think the maximum fear that is aroused in this country is due to the pronouncements of the Honourable Member himself. I know, Sir, that the Honourable Member is capable enough to look after his own interests. But I submit that para. 52 of his Budget speech is a very unwise one, an extremely unwise one, where he referred to the early implementation of a forward policy of industrialisation, that the early implementation of these plans being dependent on external finance leads to the discussion of India's post-war problems with His Majesty's Government and that His Majesty's Government sympathised with the desire of the Government of India to make advance provision. The Honourable Finance Member also said that—

"This House will be gratified to know that H. M. G. have agreed in this connection and as an integral part of the reciprocal aid arrangement, to set aside each year from now onwards a part of the dollars accruing from India's exports to the U. S. A., apart from and in addition to our current dollar requirements which are met from the Empire dollar pool under the usual sterling area arrangements."

Sir, my Honourable friend will have me believe, he will have the House believe that this has been done by H. M. G., that this arrangement has been agreed to in all graciousness by H. M. G. so that this country can get a little of the benefit arising out of the export surplus earned by the country, and that this immobilisation of sterling resources of this country need not be a bar to trading with U. S. A. on a modest basis, to small imports of machinery and other goods that this country would like to get from America and other dollar countries. Sir, I will say that it is hardly in tune with the facts. I will say that if the Honourable the Finance Member will refer to the *Commerce* dated 22nd January, 1944, if he refers to the Anglo-U. S. A. controversy regarding conversion of India's dollar into sterling assets, if he takes into account the statement made by no less a person than Mr. Geoffrey Crowther, the Editor of the *Economist* who discussed on his return from U. S. A. the question of the agitation in America that England was immobilising the export surplus earned by India out of its trade with America, that it was thereby preventing American exporters from exporting to India, if he refers to all these, he will find that this American agitation is the cause of the gracious concession on the part of H. M. G., this gracious concession which has been welcomed by the Honourable the Finance Member.

Sir, I am coming to the end of my story. I would like to say that so far as the future of these sterling balances are concerned, the country still views it with grave misgivings. There is an additional reason for this. These discussions in these reconstruction Committees have not lent any courage to us in this matter. If I had the time, I would quote from financial newspapers published in England as to what they think of these sterling balances; they think that it is a free gift of the British Government to India, and I am glad that the Honourable Member did correct the position by saying that these sterling balances include the amounts of export surplus that has been earned by this country from out of its trade with U. S. A. and the Empire Countries and non-Empire countries, like Turkey and others during the whole period of war, that this export surplus includes dollar assets of this country that has been frozen. I would say that the Honourable the Finance Member has my sympathy to an abundant extent because, here I am holding him up and asking for an explanation. It seems to me that on the other side also they say about the Honourable Finance Member: "Here is a man from our own country who is attempting to drive a hard bargain with us instead of allowing us to get a better bargain from the country over which we rule". Sir, I am quite willing to admit that in his personal capacity, I dare say that the Honourable the Finance Member must have done a considerable amount of canvassing to put forward India's case. But the real reason for fear about these sterling balances comes from these discussions of two Reconstruction Committees, the Trade and Policy sub-committee and the General Policy Committee in regard to post-war monetary problems. Sir, I find therein the hidden hand behind the economic

[Mr. T. T. Krishnamachari.]

rectified spirit. It is a very important problem and the problem can be tackled only if Government can statutorily compel oil interests to take up this question of mixing power alcohol with petrol, rationalise distribution and try to offset the higher cost of power alcohol with the transit charges that are incurred on petrol, by delimiting the areas where petrol can be used and where power alcohol could be used. I would like to know what the Government is going to do about this matter. Before I finish with this subject, I should like to say this. The points on which I have stressed really go to show that the fear in the minds of the commercial and industrial community in this country is genuine. These fears are supported by facts. They are not haphazard and are not based upon mere imagination and it is up to the Government to tell us clearly and candidly here and now whether they are in a position to allay these fears, the fears that the big British concerns are out to defeat the growth of Indian industries, for instance the move of the biggest British chemical corporation to defeat the growth of chemical industry in this country and of the possibility of big British political and commercial concerns to stifle the export business of this country and that nothing is being done to stop this, because this Government is a subordinate Government. Let us know the position definitely. Let the Government be candid for once and tell us exactly where the springs of action really lie in this matter. Who prompts this Government to surrender so supinely to these interests and to the demands of these interests at the expense of this country. I have done with this aspect of the danger to Indian economy.

I now come to the Honourable the Finance Member and his Department. I shall not have very much to say about the dispute if there is inflation or not, because the problem has been already threshed out. I am going to refer to this question of financing war effort, the problem of the sterling balances and the checking of inflation. I have no desire to make any academic dissertation on this problem of inflation. Whatever the cause of that inflation may be, today we have passed the stage of academic discussion. The Honourable the Finance Member has agreed that inflation does exist and it remains and that he is doing his best to offset the evil. That premise being granted, it is unnecessary for us to go into the causes of inflation, unless it be in order to obviate a further stepping up of the inflationary trends that now exist. Sir, the root of the evil still exists, namely, that we had to find the finance for the U. K. and the Allied Governments in this country and as a result of that it has happened in the earlier stages—before the Honourable the Finance Member thought of various taxation measures and various other measures for mopping up the reserve purchasing power in the hands of the people of the country—that the note issue went on increasing at a considerable pace. So far as the Budgetary position, as disclosed by him the other day is concerned, he has told us that 443 crores of the war needs of Britain have to be met in this country and that, together with our own defence expenditure, makes a formidable sum of 720 crores. As against this, apart from taxation, the Honourable the Finance Member has estimated—I should consider rather optimistically—that this Government may be in a position to mop up reserve purchasing power from the hands of the people, of some where to the tune of 422 crores and he has made it up by various amounts, of loans to the extent of 300 crores—post office savings accounts to the tune of 20.42 crores, national savings certificates amounting to 28 crores, provident funds to the extent of 4.37 crores, and deposits 67.23 crores. On the other hand, we have the picture of 443 crores needed for British defence expenditure. The revenue deficit estimated by him is 54.71 crores, capital expenses on account of defence 24 crores and odd, capital expenses on posts and telegraphs 2 crores and odd, capital expense on railway account 28 crores odd, making a total of 553 crores. If really the gap, that has to be bridged further, is a matter of 130 crores, the position is not unduly alarming. But I would like to stress on the other point which has an intimate bearing on this. It may be that the rupee outgoings or at any rate the bulk of it will be brought back to the treasury but that is not going to solve the major problem of the finances of this country. Whatever

expenditure we may incur in this country for Britain is certainly going to be represented in the shape of an increase in the sterling balances and there is also the question of trade surpluses. The fact remains that the amount visualised by the Honourable the Finance Member at the end of this month, 950 crores of sterling balances, is bound to be increased progressively next year and so what we have really to tackle is the method of the liquidation of these balances. As a means of preventing a further augmentation of the sterling balances or as a means of checking inflation, the Honourable the Finance Member resorted to gold sales. The manner in which the sales are operated lends itself to controversy. He said that people like myself have asked in the past that gold should be obtained and sold in the Indian markets in order to mop up the money that is in the hands of people who are unaccustomed to investment in the ordinary channels available like the post office savings bank deposits and Government loans. That is quite correct. That is a point nobody questions. But what we really question is this: Even if you did permit gold sales by U. K. and U. S. A. Governments in order to achieve a very desirable object, and perhaps you have got to do something even undesirable sometimes in order to achieve a desirable result, the question is whether the price at which you want to achieve that object is worth paying. Leave aside the ethical aspect of the question. I shall not refer to it any more. But look at it from the purely economic point of view. Technically, you are the custodian of the finances of this country, not because the country has asked you to do it, but some other person or set of persons have asked you to do it. Your responsibility is not to this country and you have made that clear in so many ways. You have said that 20 votes of no-confidence are not going to alter your position.

The Honourable Sir Jeremy Raisman: The Honourable Member is seriously misrepresenting the effect of what I said.

Mr. T. T. Krishnamachari: The Honourable Member did say that if there are 20 votes of no-confidence, they won't make any difference to him.

The Honourable Sir Jeremy Raisman: I merely made an emphatic statement in regard to the accident of laying further burdens on overstrained staff.

Mr. T. T. Krishnamachari: Anyway, what you said can be applied to this instance. I am not misquoting. It may be a misapplication if you make a serious charge. I plead guilty but I am going to apply it to this instance because the position is on all fours with what you said the other day. We have no means of compelling you to do a particular thing and so the fact remains the same. Be that as it may, the question is really an economic one. You will probably come out and say—I do not know if you have not already said it but let me make a shrewd guess if you have not said it that there is a justification for this act of Government in permitting U. K. and U. S. A. to sell in the Indian market at Rs. 70 a tola in spite of the fact of the price ruling in the London market or in the New York market, because the price index has in this country gone up. If really the price index had gone up, you will get far more. But here you are trying to seek a moral justification for an act which is not moral. Your justification is not really purely economic. Let us consider the other transactions in this country. Has not this country supplied jute and several other articles to England at controlled prices? Has the price of groundnuts supplied to U. K. appreciably increased since the pre-war days? What is the percentage of increase? Is it anything like the rise in the Calcutta Price Index figure? If that is so, can you still say that your action is justified? No, Sir. I do not think that argument will stand. But, Sir, I would again refer to what I said the other day. I want the House . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must not repeat what he said the other day.

Mr. T. T. Krishnamachari: I merely mentioned it in a very short speech of 15 minutes and it is very important so far as the finances of this country are concerned. The Government in 1942-43 sold silver in the London market that belonged to this country and no information was vouchsafed to this House as to the quantity of silver that was sold. About that time in the other House

[Mr. T. T. Krishnamachari:]

machinery of this Government acting. I find Sir Theodore Gregory formulating postulates, a group of postulates from which there is no getting away. You have a, or b, or c or d and whatever alternative you accept it ultimately amounts to the same thing. I was privileged to see the record of a discussion of the Trade Policy Committee and I see there was only one person raising a query and that happens to be an Economist who held in the past a position similar to that of Sir Theodore Gregory. This method of formulating postulates and narrowing down the issues, telling this country, you will have to choose between this or that and that there is no getting away from one or other of the alternatives, that is what has frightened the country. We have been told by the Economic Adviser to the Government of India and the suggestion has been ratified by one of the sub-committees of Reconstruction Committee, that this problem of sterling balances cannot be solved all at once and the balances will have to be liquidated gradually and that it will take some 20 years or more. Sir the City Correspondent of the *Manchester Guardian* said the other day that if normal exports to India were allowed, then it would take more than 20 years for the sterling balances to be liquidated. Here is a matter representing the sweat, and tears and blood of the Indian people, a matter which has aided the accumulation of a very large amount of money in three years in England which you tell us is going to take 20 years and more to be liquidated and you postulate all kinds of conundrums, that you have got to agree to multilateral trading and so on. What is the use of my agreeing to a multilateral trading, if you are going to immobilise my sterling reserves? What is the credit with which I could do multilateral trading? What is the guarantee that England will be in the multilateral trading group? The net result is that I have to hang on to the lapels of the coat of England for all my life, if I want to see the colour of my coin.

Well, Sir these are the postulates that have been adumbrated by the Economic Adviser to the Government of India in his discussions in these committees very very naively. That they are very very academic, with an academic background, there is no denying. There is no doubt, Sir Theodore Gregory is a well known monetary expert, but his tradition is bad, the school to which he belongs is not one that infuses confidence, he is a free trader, he is a product which has been brought to this country by Sir James Grigg and all that creates suspicion in our minds, and here we are asked to lap up these postulates that he adumbrates. My Honourable friend the Finance Member wanted us either to accept gold sales on his terms or put up with inflation. I have to choose between two evils. I will certainly say, choose the lesser evil. Similarly, I think these alternatives of Sir Theodore Gregory do not help us, these reports may be confidential, but there is nothing confidential once these discussions are conducted by a group of people amongst whom are non-officials. I think the manner in which it is proposed now that the sterling balances should be liquidated has not created confidence in the country. But something must be done here and now, if these sterling balances are not to be permitted to accumulate beyond a thousand crores. I am not going into details as to how far this is going to affect the future of this country. It will affect the future considerably and the days of the lessons of reverse councils of 1920-21 cannot be forgotten. This very Government, probably manned by equally able experts, as my Honourable friend the Finance Member, put its foot into it and made this country lose to the tune of several crores of rupees, about 40 crores.

Before I conclude, I wish to refer to one matter. (Laughter.) I may remind my Honourable friend, Sir Cowasjee Jehangir, that he who laughs last laughs best and he may be sure that his own money and my money are all involved. Sir, it is said that the Honourable the Finance Member, the Governor of the Reserve Bank accompanied by the Economic and Financial Expert of the Government of India will be going to London shortly in order to make certain discussions. I do not know how far it is true. But if it is a fact, let them go by all means. Take the Governor of the Reserve Bank, take the

Economic Expert, go by all means. India does not want you not to go but this country is tired, very tired of the burden that you have laid on it, I do not intend to cast any reflection on you personally, it may be that you consciously contributed to or consciously resisted, this state of affairs coming into being and you perhaps did help in a way to mitigate the severity of the burden. I am prepared to grant it, but it is nevertheless true that during your stewardship of India, the country has got into such a frightful mess that any country could get into and you have now to wriggle out of it. The country will not tolerate any change for the worse. There can be no going back from the financial settlement. The mere fact that the Governor of the Reserve Bank goes with you does not induce any confidence in us. I will say here and now that the Indian

Directors of the Reserve Bank have not served this country well; they 1 P.M. have not protested against this increase in the sterling balances of the Government of India, nor have they done anything in the matter of these gold sales. The country views all these big people in the Reserve Bank Directorate with suspicion. If in spite of all that I have said, if in spite of this economic octopus sitting over us and stifling us and making us unable to start our industries, making it impossible to continue imports, making it impossible to trade in our own country because some foreign corporation has its own agency spread all over the country, this policy of the Government of India continues of withdrawing more and more of the wealth of the country to be put into the sterling balances, to be immobilised, all because somebody in Britain perhaps dictated it, all because there is somebody in Britain who would not allow them to move but holds them tight, what hope has this country of any political freedom? Sir, what I would like to say is this in conclusion. It may be that the Cripps offer is open; it may be that some other offer is coming. But what is being done and even a glimpse of what is being done, which is all that we are vouchsafed,—and I may tell the House that I have had to spend hours and hours to get this meagre information,—reveals to us portents which are not good. The future is dark for this country because the economic greed of Britain has increased, and a rapacious animal which has tasted blood always cries out for more blood. They have tasted blood and I am not quite sure that they are going to give up their prey without a fight. Sir, I have done.

Sir F. E. James: Sir, I am quite sure that if my Honourable friend the Finance Member is about to undertake a mission to the United Kingdom, as is alleged by the late speaker, he will be fortified and cheered by the patronising references which Mr. Krishnamachari has made to him. And I am gratified that as the clock approached the hour 1-15 my Honourable friend was faced with the inescapable dilemma of either continuing his speech till after Lunch or concluding now; I am glad that he has concluded now and taken the lesser of the two evils.

I do not propose to refer to the details of the Finance Bill. I do propose, however, to take advantage of this annual opportunity which the discussion of this Finance Bill gives, to make some reference to the defence forces of this country. I would wish that as a result of this debate, whatever our political opinions may be, there might go out from this House, from all parts of this House, some words of encouragement to the men in the Indian Air Force, the Indian Navy and the Indian Army, whose record in the past year has been so outstanding and so gallant and who are now perhaps nearing the hour of their greatest triumph. Sir, it is not, I think, necessary for me to refer in detail to the exploits of the armed forces of India in various theatres of war since last year, their magnificent gallantry in the countries of Northern Africa, in Italy, in the Mediterranean, on the north-eastern front of India, in the coastal waters surrounding India and on the great trade routes between India and the north and the south-east and south-west and recently in Arakan. Nor need I refer to the gallant service rendered by the Indian army in the famine-stricken areas of Bengal. I should like to draw the attention of the House to a very fine tribute paid to the work of the army in Bengal by an old friend of mine, the present Minister of Finance in that province. He recalled with gratitude the Viceroy's decision to put the army on the job. He went on to

[Sir F. E. James.]

say that that decision was an outstanding one, realistic and statesmanlike and it marked the turning-point of the troubles in Bengal. He goes on to say,—and I make bold to quote his very words:

"From that day the famine fighting organisation assumed proportions more commensurate with the task. I do not propose to attempt to recount all that the army has done or how it solved our distribution problem. The story is well known and the services then rendered will be remembered with heartfelt gratitude in the remotest corner of the province. The assistance given by the army brought about an immediate improvement in the famine situation and when epidemics, the inevitable aftermath of famine, made their appearance, the army again came to the rescue."

It is indeed heartening for one who has spent many years in this House in the midst of political recriminations to know that in Bengal at this very moment the army is making friends on all sides in its mission of relief.

Now, Sir, before I turn to the work of the fighting forces and some of the points which I wish to bring to the attention of the House I should like to say a word about the work of the Defence Consultative Committee during the year that has just passed. I have the honour to be a member of that Committee: I believe its work is important and useful. We have had an opportunity during the year of visiting Indian units in the Middle East in all theatres of war at least, and of visiting naval establishments in this country. For myself I have learnt many lessons. I know also that the authorities have given the very closest attention to the recommendations which the Committee has made from time to time as a result of their visits; and I am glad to pay a tribute to the anxiety of those who are in command to carry out to the full, if possible, the recommendations which the representatives of this House and of the other House make to them from time to time. I am, of course, sorry that some Parties in this House do not find it possible to co-operate with us on that Committee; and I particularly regret the absence of the co-operation of my Honourable friends of the Muslim League. But I would like to say this that although they found it impossible for their own reasons to help us on this Committee, some of their members have made a signal contribution to the recruitment of the right personnel to the armed forces during the year. And I would like here to pay a public tribute to the sterling work of the Aligarh University under the inspiring leadership of our sturdy and indefatigable, Sir Zia Uddin Ahmad, the Vice-Chancellor of that University. I was delighted to know that although perhaps on a limited plane he cannot come with us on this Committee, on a much wider plane he is engaged in work of great national importance.

Now, Sir, I make no apology from now on for referring to a number of matters concerning the services in which I myself am deeply interested. I will start with the Indian Army, not because that is the senior service, but at the moment it is the largest service, numerically speaking. May I say for myself and I believe I can speak for Members in this House, how very glad I was to read the Commander-in-Chief's statement in the Council of State the other day about the increase of pay for the Indian soldier—the special proficiency pay of Rs. 5 and the raising of his *bhata* by Rs. 3 per month. This is an expensive item costing about nine crores of rupees. But my colleagues on the Defence Consultative Committee will recall that during our trip to the Middle East wherever we went we were told of the anxiety of the fighting man concerning the rise in the cost of living in this country and his inability to make good that rise by an increase in his own allocations. There is no point in concealing the fact that on our return to this country one of the recommendations we made most strongly was that the authorities should give early consideration to the importance either of increasing the pay of the fighting soldier or of doing something, even to the most drastic extent, to bring down the cost of living for their dependents in this country. I am very glad that the authorities concerned are tackling this problem on two fronts: First of all by increasing the pay and, secondly, by pursuing a deflationary policy which, I hope, will greatly relieve the difficulties of the dependents of these men. I know that this decision is welcome throughout the

Indian Army and I do hope that it will be unanimously supported by this House.

I cannot speak too strongly of the effect of inflation in this country upon the morale of the fighting men. If the fighting man feels that his family is in difficulties because of the rise in price, how can he possibly devote his undivided attention to the purpose for which he has been recruited to the Army. I, therefore, feel, quite apart from anything else any economic reason, that the question of morale of the fighting man is perhaps the most important aspect of the battle against inflation.

Now, Sir, I return to two matters on which I have heard much during the course of the last year. When we were in the Middle East, one of the most inspiring mornings was spent with Pioneer Units in the harbour of Tripoli, men drawn from different parts of India, splendid men who had won renown in North Africa for their remarkable work in loading and unloading ships of essential supplies at difficult and sometimes dangerous hours. Sir, I was distressed later to learn that in the matter of disability pensions, the amounts paid to these men were less than the amounts paid to combatant units because these men happen to belong to units which are at present classified as non-combatant. I do hope that some change will be made in the classification of units. There are today Pioneer Units who, strictly speaking, are not combatant, because they do not wear arms but who have great danger in their work. Think of the great amphibious operations off the coast of Sicily and Italy; who are the men who unload the ships? These are the men and sometimes they are subjected to the most terrible harassing fire from the enemy.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can go on with his speech after Lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Sir F. E. James: Sir, before the House adjourned for lunch, I was referring to the question of disability pensions admissible to men belonging to certain non-combatant units and was pointing out that the old distinction between the combatant and the non-combatant unit is now out of date. There are some non-combatant units today which are forced to play as gallant a part under fire as any combatant unit. I was in particular referring to certain pioneer units which we, the Members of the Defence Consultative Committee, saw in North Africa last year, and which since, I understand, have played a conspicuous part in the landings in the Mediterranean, and yet whose members on injury are not entitled to the same pension as the members of combatant units. Now, Sir, that, I put it to the House, is not just, and I do hope that my Honourable friend, the War Secretary, will take that into consideration and put the matter right. I addressed him recently on the matter and he was good enough to say that it was engaging the attention of the authorities. All I can hope is that their decision will do justice to men who are playing a very notable part in these campaigns.

The second point I wish to mention is a matter to which I drew the attention of the House last year, both in question and in the course of my speech on the Finance Bill,—and that is the right of appeal in entitlement cases from the decision of the Government concerned. The House perhaps is not aware that this matter has been attracting a great deal of attention in the United Kingdom lately and there has been much public agitation. I brought to my Honourable friend the War Secretary's notice, the case of a widow whose husband died on active service, but was judged by the Medical Authorities not to have died for reasons primarily concerned with active service or directly arising out of active service conditions. Therefore, she received no pension whatsoever. I was advised there was no appeal from that decision. The decision presumably was the decision of the Medical Board which was transmitted in that case to the Secretary of State, who accepted that decision without any further

[Sir F. E. James.]

investigation. I understand that the matter has been receiving the consideration of the authorities both in this country and in the United Kingdom and I should be very glad to know that a decision had been arrived at. It seems to me that it is highly important that the dependents of those who die or are disabled on active service should have some right of appeal which would enable them to take hard cases to a tribunal which is independent of the Government whose job it is to bear the financial burden. After all the Government is an interested party, and therefore in these matters the dependents need some independent arbitration in difficult cases.

Last year I had a great deal to say about the Army and economy. I am glad to pay public tribute to the steps which have been taken during the year to reduce all avoidable waste. As I said last year, a certain amount of waste is unavoidable but a certain amount of waste is definitely avoidable and I know that during the months since the last discussion on the Finance Bill, the authorities have taken energetic steps to prevent all avoidable waste, and I gladly acknowledge the work they have done. So much for the Army.

Let me say a word here about the Indian Air Force, whose record in recent operations is one of which the House can well be proud. During the year the Defence Consultative Committee was consulted on the problem of the supply of the right type of officers as Pilots for the Indian Air Force. I should like to know what steps have been taken by the authorities concerned to modify their recruitment programme and methods so as to attract larger numbers of better qualified young men as Pilots for the Indian Air Force. I realise the difficulties are very great. My Honourable friends who are colleagues of mine on the Committee know that also. At the same time I think we had a feeling when we were consulted that there was need for a quite different approach on the part of recruitment authorities, and I should be very glad to hear from my Honourable friend, the Secretary of the War Department, whether there has been any change in that direction.

I was glad to notice the other day the appointment of an Air Officer Commanding the Indian Air Force, a post which had remained unfilled for some time after the arrival of the South-East Asia Command and the changes consequent upon that organization. But I should be glad to hear from my Honourable friend as to the precise role which the Indian Air Force now has to play, both in regard to the India Command and in regard to the South-East Asia Command.

Sir, I will now turn for some time to the Royal Indian Navy about which I wish to speak at some length. As I said this morning, it is sometimes forgotten in this House and elsewhere that the Royal Indian Navy is the senior service. As a Navy it is well over 300 years old. The present Royal Indian Navy is the direct inheritor of the Navy of the East India Company which I believe was established in 1612. For many years, in fact, for 160 years, it was called the Bombay Marine. My Honourable friend Mr. Jamnadas Mehta should take pride in that.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): I do.

Sir F. E. James: Then it became first His Majesty's and then the Royal Indian Marine, and it had that nomenclature for about 51 years.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Was it ever a predecessor of the Scindia Steam Navigation Co.?

Mr. Jamnadas M. Mehta: You are mixing up chalk with cheese!

Sir F. E. James: For the last 10 years it has been the Royal Indian Navy and I am glad that I was a Member of this House when the Royal Indian Naval Discipline Act was passed in 1934. I am strongly opposed to a habit which is current in some quarters of quoting one's own speeches; but I cannot forbear from referring to what I said on that occasion:

"One thing that we are both united in is that we believe that in this Indian Navy which is to have the Sign Manual of His Majesty's hand upon its status, we shall have a

force that is not only loyal but that is also efficient, and that when the time of emergency comes it will contribute not a little, first of all, to the defence of India's coasts, and then if need be, to the defence of the Empire. . . ."

I also went on to say that the passing of this Bill was a stepping stone, and perhaps one of the most important stepping stones, in the fulfilment of India's great ambitions; and that, if the time of stress ever came, India would not find the Royal Indian Navy wanting.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): What year was it?

Sir F. E. James: 1934.

Pandit Lakshmi Kanta Maitra: You were a prophet!

Sir F. E. James: I do not know whether a prophet is entitled to claim any success for his prophecies, but I do claim that in this matter my prophecy was true. The record of the Royal Indian Navy has been second to none in this war. This Navy has a record behind it of over 300 years of gallant service in fields of war all over the world. After the last war, in common with many other navies, particularly in common with the Royal Navy, this small fleet suffered great neglect. Although it did useful service in the last war, it was ruthlessly cut down by the Inchcape Committee—that committee which was presided over by that hard fisted industrialist with the iron will, and as a result of his committee's recommendations the Indian navy was brought so low in status as to be about the equivalent of a luxurious sailing club for officials. Hydrographic Survey, buoys and lightships were handed over to Provincial Governments. It was not the Indian navy alone that suffered. I have said already that the Royal Navy suffered similar reductions and the whole Empire knows what a great disservice that has been to her in these days of stress. Similarly the reduction in the Indian navy after the last war was a very great disservice to this country, for which she even to-day suffers. The Rawlinson Committee marked a turning point, and in 1934 the Royal Indian Navy, as it was then known, again achieved combatant status. It has justified that status in this war. I have no time to refer to all the exploits of His Majesty's Indian ships in the Persian Gulf, in the Red Sea, in the Indian Ocean, in the Arabian Sea and the Bay of Bengal, on the coasts of Africa, on convoy work in the south-west and south-east, and in the great uneasy Atlantic.

Pandit Lakshmi Kanta Maitra: And in the Mediterranean.

Sir F. E. James: And in the Mediterranean. I claim therefore that this small, rapidly growing but efficient force is worth more than a passing glance. It is worth a role greater than that which has been allotted to it. For years the defence policy of India before this war and indeed before the last war has been governed by the mentality of the Bengal Lancer. Tradition dies hard, and although to-day the dangers of the north west are forgotten, yet there still remains in many quarters, quarters which are influential in the defence organisation of this country, an outlook which is not helpful to the growth and development of the Royal Indian Navy. I said that to-day the dangers of the north-west frontier are forgotten. We think of the north-east, where the only rational form of transport is the air. We think of the coasts and coastal waters of India. Those are her real frontiers, and those are the frontiers on which India must make herself secure in the days after the war.

As a member of the Defence Consultative Committee I had the privilege of visiting some of the training establishments of the Royal Indian Navy,—His Majesty's Indian Ships, "Dilawar," "Bahadur" and "Himalaya". It is easy to see that in the matter of training efficient personnel a serious bottleneck exists. There is a very great dearth of trained personnel for instructional purposes, and of personnel which is able to use the highly technical machinery which is now part of the naval apparatus of any sea-going craft, quite apart from seamanship. I should like here to pay a very warm tribute to the enthusiasm and vision of those who are in command of those establishments. My colleagues and I were deeply impressed by the spirit, by the discipline, by the keenness of the men and boys who after a period of training

[Sir F. E. James.]

seemed to be quite competent to handle even the most complicated machinery. I would urge that the policy adopted in these training establishments should be strengthened and extended to the utmost limit. Training for the navy is not an easy matter. Not only do you have to establish new traditions, but old traditions, old seafaring traditions that have existed for many years in this country—we have got to try and recapture them, as, owing to our policy of concentrating on the land forces, they have been allowed to die out.

In this connection I should like to bring to the notice of the House certain facts which I have observed in my visits to some of these establishments, which show that even to-day in the Royal Indian Navy performing important, arduous and dangerous duties which have won the admiration of the whole country, there is a serious differentiation in the treatment accorded to its chief petty officers, petty officers and ratings from that accorded to similar members of the land forces. First of all, let me ask the Honourable Member representing the War Department why it is that the pensions of naval ratings are still so low? Why it is that they have not been changed since the last war? Why it is that the pensions of the naval rating are in all cases no greater than half and in some cases as little as one-fourth of the pensions for the Indian Air Force? How is it that a Government with such great resources at its command can yet be content to pay a family pension to a chief petty officer after 25 years service of Rs. 8 a month? The House knows that the chief petty officer is the backbone of any ship. He is the equal in social position, in intelligence, in training, of any jamadar or subedar. Yet he is not treated on the same terms. When he travels, he still has to travel third class. Is that the way to treat men who have deserved well of their country, who have seen magnificent service in the Royal Indian Navy and who are the equal of those of corresponding rank in the land forces who are treated differently?

Let me say again a word about the training allowances. There are no training allowances given in the Royal Indian Navy. There are training allowances given in the Royal Navy; and yet the Royal Indian Navy has to work with the Royal Navy. Why is there this differentiation in treatment? In the Royal Navy, any junior rating who has to do senior rating's work because of shortage of staff receives extra pay. In the Royal Indian Navy, that is not the case. I myself have seen, in these training establishments, junior ratings doing senior ratings' work for weeks on end; but they are not allowed to receive extra pay for that work and in spite of repeated requests I am told that the Government of India has refused to grant what I regard as a just demand. (An Honourable Member: "How much did you suggest?") I have not suggested any figure. I have suggested that a junior rating who does the work of a senior rating should receive an additional allowance as is the case in the Royal Navy.

Then, Sir, I understand that the Government has decided, for reasons best known to itself, not to construct any married quarters for the ratings of the Royal Indian Navy. I hope that is not so. If it is so, I fail to understand the reason, for I know that married quarters are being constructed in different parts of the country for the corresponding ranks of the Indian Air Force and the Indian land forces.

Sir, there is one other matter which was brought to my attention when I was visiting these naval establishments and that is the question of long service awards. I have already said that the men who have seen long service in the Royal Indian Navy are in many cases the backbone of its present administration, senior ratings, petty officers and chief petty officers. Now, in the Royal Navy, after 25 years service, provided that service is accompanied by a clean record, the rating, petty officer or chief petty officer concerned receives a long service medal and a gratuity. He receives the long service medal and the gratuity as of right, if he has put in that service with an unblemished

record. He therefore claims and receives that reward as of right, and anybody who knows anything about the Royal Navy knows how proud those men are to wear that record of long and faithful service on their uniform. What happens in the Royal Indian Navy? I made inquiries about this because I met two or three petty officers and ratings who had put in long service. I asked them where their long service medals were. It appears that as far as the Royal Indian Navy is concerned a grateful Government does not give them a long service medal as of right. It says that there shall be so many long service medals awarded every year. I think the number is pitifully small. I believe, and my Honourable friend the War Secretary may correct me if I am wrong, three of these long service awards are given every year. In addition to the award of the medal, the magnificent sum of Rs. 25 is given as a gratuity, as compared with the £25 of the Royal Navy. I do suggest that the practice of the Royal Navy should be followed in the Royal Indian Navy and that in any case long service which is deserved should be automatically awarded so that the men may have a pride in the length and excellence of their service.

I shall now sum up these matters and others which I have not mentioned, for want of time. I do not wish to weary the House. For these and other reasons, I do enter a very earnest plea for a better consideration on the part of this House, of the public and of Government for the Royal Indian Navy. Sir, I believe that India's future needs in defence matters will lie in a small and efficient army, a larger navy and a larger air force. (Interruption.) Perhaps my prophecy will again come true and without touching on any internal political arrangements which may be made in the future, I venture to suggest that some Union of India or in India, and possibly with other groups, for defence purposes will be necessary. From the point of view of trade and commerce, India is an island, and if she ever wishes to have a mercantile marine worthy of the name and tradition she bears she must have a navy to protect it. After the war, when the army is demobilised, I hope that the Royal Indian Navy will be consolidated and strengthened. It is not so difficult, or it will not be so difficult to provide ships after the war. It will be more difficult to provide men with the tradition and the training required. May I express therefore the hope that with this war the dominance of the land outlook will have gone for ever? There was, I venture to suggest great delight in many quarters when a gallant naval officer who had served the Royal Navy with great efficiency was appointed as Supreme Commander of the South-East Asia Command. We are fortunate in this country to have at the head of the India Command a Commander-in-Chief who has the confidence of all classes, irrespective of their political beliefs. But I look forward to the time when we may have as a commander-in-chief a naval officer, an officer who has graduated in the Royal Indian Navy. Then, I am sure that neglect and differentiation will be a thing of the past, and the Royal Indian Navy will not only be regarded as the senior service but also as the basic element in the defence organisation of India. In the future, it is going to be the wings and the waves, which will be the symbols of India's defence.

Now, Sir, I turn from defence matters to deal with one or two questions connected with demobilization and re-settlement. These, I think, 3 P.M. follow rather naturally on what I have said because, although we are in the fifth year of the war and perhaps as far as India is concerned the most intensive and uncomfortable year, the day of victory is approaching and with that the great problem of the change-over from war conditions to peace. This problem of demobilisation, in this country as in other countries which are fully mobilised, will be a very large one. I refer only to the demobilisation and re-settlement of the armed forces. I do not say anything about the demobilisation of industrial workers, war technicians and of the administrative services. The other day in a speech to the Reconstruction Committee of Council our Defence Member made a very important statement, which I wish had been made available to all Members of this House. In that statement he

[Sir F. E. James.]

working out with great determination and vigour some of these plans for post-war development. Now they know very little. But when they get a useful compendium like the Bombay plan the tendency is to assume that it is the only thing that holds the field and that the Government are doing nothing. I suggest to my Honourable friend that they would lose nothing but gain a very great deal if they were able to produce some of these plans which are now available in simple and readable form—on the lines of the booklet which had such a wide circulation a short time ago, called *"Hamara Hindustan"*.

Now, Sir, I said when I started that I would confine my remarks to three particular aspects. I have told my story and I will now conclude by saying that the Finance Bill, which I have hitherto not mentioned and for which my Honourable friend is no doubt grateful, the Finance Bill provides the sinews of war for men and munitions. It may contain, it does contain much of which I would complain under normal circumstances; but I am prepared to say now, let it go through, and good luck to those who have to steer India through the next year of war. In doing so, I would like to say, and I may not have another opportunity of doing so, with what admiration I have watched the Honourable the Finance Member during these five years, five very difficult years, steering India's financial ship through extremely difficult and turbulent seas with such great vigilance, courage and competence. He has just been given an extension of his appointment for another twelve months. I was not quite sure whether my Honourable friend, Mr. Krishnamachari, was glad or sorry about it.

Mr. T. T. Krishnamachari: But what do you think about it?

Sir F. E. James: All I would say is, knowing the Honourable the Finance Member, I realize that this must be his response, a difficult response to make under the present circumstances, to the call of duty. It is in that spirit that he is shouldering his responsibilities for another year. I think, therefore, he is entitled, if not to the gratitude of this House, at least to its support and its sympathy.

Mr. Abdur Rasheed Choudhury (Assam: Muhammadan): Sir, I am glad that the Indian army has done wonders in Africa. I am also glad that the Allies have inflicted a severe defeat on the Japanese in the Arakan hills recently. Sir, I come practically from the war zone. My neighbouring districts, Headquarters of Silchar and Imphal, have been continuously bombed and even in today's papers, we find that Silchar has again been bombed. If the valiant Eighth Army who did wonders in Africa were brought in to India for the defence of the eastern border I would have nothing to say. But I have some doubt as to whether all measures necessary to defend the eastern frontier are being undertaken for the purpose of safeguarding that particular area. Instead of the Eighth Army I find the Chinese, the Americans, the African Negroes, the Colonial Army of British and Indians are fighting in that front. To fight is a very difficult task and it requires a heart to fight and a purpose for which one has to fight. If I could understand whether these different forces and these different nationalities have got the same war and peace ideal I would have been without anxiety about my frontiers. But whether I look to the west or to the east I find that the Allies are not looking at things from the same angle of vision. If we look to the west we find that England is not looking at things from the same angle of vision as Russia is. Similar is the case with America. I find that instead of putting their whole heart into the Armageddon the Allies are already busily engaged in finding out how to divide the vast territories conquered among themselves. In the beginning of the war it was the common aim of the Allied powers to defeat Germany, but now I find that that has slackened. The rapid advance of Russia has put consternation into the hearts of both England and America and they are no longer keen about the defeat of Germany. It looks as if the allies are not encouraged by the progress of the war on the western front, because if Russia is given a free hand with Germany the whole of Europe will be Bolshevised and both England and

America will lose the capitalism with which they have been exploiting the entire world. I am not so much interested in the western front as in the eastern front. Here also I find that people are looking at each other with suspicion. Russia is not at war with Japan. Russia does not like that America should come near her. England is not keen about the defeat of Japan now because even England does not like that America should come and take possession of her previous possessions. That being the situation, I do not understand how these divergent forces can fight an enemy who is so notorious in doing wonders, and specially as that enemy is helped by a new factor, I mean the Indian army which is stronger than that with which Washington brought about the independence of America and much larger than that with which De Valera brought about the independence of Eire. So I have my own suspicions and I wish the authorities here and at Whitehall to look into the matter and see that a powerful force like the Eighth Army fights in the eastern front in order to keep the enemy at bay.

The next important subject to my mind is tea. It is a very important thing in the 20th century. It is helping Government with revenue and it is giving the people one of the nicest beverages of the century. A cup of tea in the morning, every one will agree, is one of the best luxuries of the day. If that tea is in danger neither Government nor the people would look at it with ease. It has supplied Government with good revenue; it gives them income-tax, super-tax, corporation tax, excess profits tax and what not. Over and above that it is giving Government a special local rate, war risk insurance premium, war injuries insurance premium and what not. I would have been glad if the tea industry were in a position to pay Government more. The imposition of the new duty will have the effect of strangulating the industry if remedial measures are not adopted. Now, in order to understand the position of the tea industry, specially of the small growers, I may tell the House that for the last two years the small growers have been put to different measures of difficulty which have brought the small growers to the verge of bankruptcy. In order to understand this I must say a few words by way of preliminary investigation of the condition of the industry. The tea industry was in a very difficult position in 1930-33. The best brains of the industry with the co-operation of Government brought in measures to save it. The Tea Control Act was passed in 1932; it was extended for another five years in 1938. In these ten years the Act worked well; both the large growers and the small growers could make their concerns go on in prosperity and they could help themselves and Government. There were two principles involved in the Tea Control Act. The first was that the production of tea was controlled, that is, it was brought to the scale of supply and demand. In the first place, the highest production was to be 85 per cent. Out of this 85 per cent., about 15 per cent. was meant for local consumption in India and the balance for export to England and other countries. The large and small growers were given an export quota up to which they could export their tea, but as the Indian growers were the owners of small gardens and as they did not export tea direct, they preferred selling their tea in Calcutta market and then export right to big growers. That helped the small grower, and the large grower also had advantages. This went on up to 1941. In 1942, two factors came in and the Government, I believe, were indifferent spectators to the difficulties of the small growers. Instead of controlling the production as before, the Tea Controller allowed the tea gardens to produce 125 per cent. as against 85 per cent. previously. That means if you allow 15 per cent. for consumption in India they were given 110 per cent. export quota in place of something like 65 per cent. in the previous years. This put them in double advantage. By the use of expensive manures the large grower could produce 125 per cent. and they could export 110 per cent. of their crop without purchasing any export right from the small growers. This put the small growers in double disadvantage because on account of the large export quota being released, the export quota of small growers became unsaleable. That hit the small growers. Then again, in 1942 the Government introduced

[Mr. Abdur Rasheed Chaudhury.]

the system of purchase of tea by themselves. That hit the small industry a good deal. I will just explain my point. The Government introduced the system of panel of brokers. Both the large and the small growers have Government contracts. In the case of small growers, this panel of brokers rejected 60 per cent. of their tea as being below standard; only 40 per cent was accepted. The rejected tea was sold in the local market at about ten annas a lb. in 1942. In 1943 it has been selling at four annas to 5 annas a lb. That has hit the industry again. Let me give you a concrete example: A small garden produces, say, 500 maunds of tea. 60 per cent.—300 maunds—would be rejected by the panel of brokers and only 40 per cent., say, 200 mds. accepted for Government contract and this would be sold at 4 annas—total amount realised for this would be Rs. 12,000 at 12 annas a lb. for 200 maunds. 300 maunds would sell at 4 annas a lb. for Rs. 6,000. So, in all the garden would make Rs. 18,000. The cost of production has increased a good deal recently on account of high prices of other commodities, wages and concession given to the labour. Nobody can produce tea now for less than eight annas a lb. If we calculate the cost at, say, eight annas a lb. that means the cost of production alone would come to Rs. 20,000 whereas the producer gets Rs. 18,000. That is to say, the garden incurs a loss of Rs. 2,000. And now comes the new taxation of two annas per lb. The Commerce Member will probably say that the new taxation will fall on the consumers. But I have got a grave doubt whether it will fall on the consumer, because the question of quality will be brought in again and the new tax will, therefore, fall on the industry again, specially on small growers.

Sir, I have got a word to say about valuation. No tea is available for less than Rs. 1-8-0 a lb., not even the worst quality of tea. Even the rubbish of Lopchu, Lipton etc. which we are having in Delhi cannot be had for less than Rs. 1-8-0 a lb. I can assure the House that the rejected tea which the brokers sell at Re. 0-4-0 is much better than this Lipton, Lopchu, and so on. They purchase the rejected tea at 4 annas a lb. in Calcutta market and they put it in their brand and sell the same to consumer at Rs. 1-8-0 a lb. under the name Lipton, Lopchu, etc. Therefore, I say, Sir, that if no remedial measures are brought in, this imposition of a new tax will kill the industry; especially the small growers shall have to close down.

Then, Sir, there was a ray of hope in 1943 that we would get some sort of compensation from the Defence Department. We entertained high hopes that the Defence Department would give compensation for the diversion of labour from the tea industry to different war projects. Circulars were issued by the Indian Tea Association in this respect. Suddenly came a circular that those who have not sent their own officer along with their labour to recognized projects will not be allowed any compensation. Sir, the small owners have always co-operated with large owners in supplying labour to war projects. If only they knew that they would not get any advantage by sending their labour with the neighbouring big growers they would have kept on the labour to work for them, but they acted in good faith and sent their labour. And now you say 'you cannot get any compensation because you did not send your own officers with your labour'. Sir, we brought our difficulties to the notice of the Honourable the Commerce Member early in 1943. He tried to give relief to the industry by purchasing export rights at Re. 0-2-6 from the small growers. The Tea Controller asked for tenders from us and we submitted our tenders. He was to purchase export rights for 1942 and 1943, and then one fine morning we got a circular that no 1942 rights would be purchased by the Tea Controller. We had to pocket that. Then we submitted tenders for 1943 exports rights. Our big growers boycotted the supplementary contract. If they had not, the Tea Controller would have been able to get tea and would have been in need of purchasing export rights. That is the condition. Now, we are on the verge of bankruptcy and unless we are given some help and unless Government look at things sympathetically, the small growers will have to close their gardens. The Income-tax Officers will find this year that a large portion of the tea

industry is not in a position to pay him any tax, leave alone the corporation tax, super tax, etc.

I would, therefore, suggest that the export quota should not be given for more than 65 per cent. of garden produce as before. If any grower is in need of a bigger export quota, let him purchase his requirements from the small growers as was done before. The next suggestion I would make is that tea fetching less than Re. 0-8-0 or some such figure, should be exempted from the levy of the new duty on tea. That would save the industry.

Sir, I think I am the only representative of the small tea-growers and I except a reply from the Honourable the Finance Member. I brought this point up in the course of the general discussion of budget and I expected to get a reply from him as to how the small industry could survive but he did not say a word.

The Honourable Sir Jeremy Raisman: Silence does not mean consent in this case!

Mr. Abdur Rasheed Choudhury: If I cannot move the Finance Member, it is not my fault. He is determined not to be moved and give any relief to the industry. He has been given an extension for a year, and if the Assembly goes on for another year, he will have to admit next year that he did not get anything from the small growers by way of income-tax, etc. as they are making no profit since 1943.

The Honourable Sir Jeremy Raisman: The tax is only on income!

Mr. Abdur Rasheed Chaudhury: Next, I take betel-nuts. Much has been said by my friend Mr. Krishnamachari and so I do not like to say very much more about it. But I fail to understand how betel-nut as a whole can be taxed. There is the raw betel-nut and there is the cured betel-nut. The latter can be taxed. How are you going to tax the raw betel-nut. The people pluck it from the tree. Will the Government keep an Inspector to watch when the people pluck *supari* from the tree? I suggest, Sir, that the rigor of the whole thing will disappear and the people will be saved, if only the commercial portion is taxed, i.e., the cured portion of the betel-nut.

Now about tobacco. It is the only luxury that the peasants and the labouring classes indulge in. I do not see any logic why this luxury of the poor people should be taxed. According to me the tobacco used in the *Hookah* and chewing tobacco should be exempted from the duty.

Now, Sir, the more I read the figures given by the Finance Member in the Budget, the more I get confused. What is there that necessitates the imposition of fresh taxation? Our existing sources of revenue are yielding their maximum. We have the largest surplus in the history of India and still the Honourable the Finance Member goes and finds out new sources of taxation. There is a mystery unless one looks at things critically. The trouble is that he has not only to find money for Britain but he has also to find money for America and British colonies. That is why he is not satisfied with the existing sources of revenue. He required more money not only for himself but for the Dominions and for America.

The whole policy brings in an innovation, and it is this: that India is to recognise the partnership with His Majesty's Government, of the Dominions and America. The Dominions are not simply satisfied with mere words. They want to establish their right to exploit and this explains why that Dominion gentleman, the Right Honourable Casey, has been brought in to be Governor of Bengal. The Americans here are acquiring land. They are making aerodromes. They are making cities after cities. I may mention one only, the new Washington town near about Burdwan. They have roads named as Roosevelt Road, Willkie Road, and with a drainage scheme costing one crore of rupees. These are measures which show that they are not simply passers-by. They have come to stay and we in India have to recognise the overlordship of the United States of America and the Dominions along with the overlordship of His Majesty's Government.

[Mr. Abdur Rasheed Choudhury.]

got only 12. Now, Sir, if we ask questions as to why Assam is so badly represented in the Central Services we get the reply that appointments are not made on a provincial basis—very nice reply to a province which contributes five times its provincial revenue to the Central Government. I hope the Honourable the Finance Member will make a note of this. The Province of Assam demands a reply from the Government of India as to why Assam is so badly represented in spite of her large contribution to the Central Revenues.

Now, I wish to say a word about the efficiency of the services. It will not be out of place if I touch on this question here. I find that the higher services have lost their power of control. The other day here a question was asked about some appointments in the Calcutta Customs Department and the Honourable the Transport Member replied that he forwarded his views to the Collector of Customs and he did not know anything more and we get this sort of reply always. We do not know whether the instructions of the higher officials are followed or not and nobody cares to find this out. This is not the case with the Customs Department alone. That is the case with all the services now. All the officers consider themselves independent, beyond reach of anybody and beyond the reach of the complaint of the people. If you go to see the Collector, he will say 'fursat nahin.' This contagion has spread even to the Indian service such as Deputy Collectors. Even they would not see the people. Most of them do not like to see people without cards nowadays. The services have become so exclusive that they are no longer in touch with the public whose servants they are. The result is corruption, more corruption and corruption everywhere, because there is no check by the higher officials on the lower officials and bribery goes on increasing every year. Nothing can be done without bribery these days. If you go to law court, you find that you cannot approach the court unless you do something which the court will be horrified to know. You cannot have a process served without bribing the peon and they have become so bold that they will demand *bakshish*, meaning bribe. So, corruption has taken a violent form and without that nothing is possible in any Department. The remedy lies in the higher officials setting apart a portion of their time when they can be approached by everybody who has got anything to say. Unless the district officials and other higher officials are enjoined to do a thing like that corruption will not stop. There should be a complaint officer in every important centre and there should be a complaint register kept in the offices of the local boards and municipalities. If anybody wants to make a complaint, he should enter the complaints in the book and the register should be looked into by the complaints officer. That should be done and it will have a salutary check on bribery and corruption.

Now, Sir, we are paying increased taxes and we are doing that ungrudgingly. All of us are anxious that this devastating war should end and all of us are anxious that the Allies should win. We are all encouraging the people to join the war service for this purpose. But, Sir, whenever anything goes out of your pocket, it is the rule that you want to know what for you are paying that money. In the last war the slogan was that democracy was in danger and the Allies were fighting to bring in freedom to the weaker States which had lost their independence. The war was fought to a finish and we made our contribution. But when the question of settlement came in, India remained as she was. In this war the slogan is a bit clearer. It is for the safety of the British Commonwealth of Nations that this war is being fought. We are interested in it and let me explain to you what the British Commonwealth of Nations means. The British Commonwealth of Nations means the domination of the world by about 6 crores of people including the Dominions. These 6 crores of people want the domination of something like 60 crores of people belonging to India and other countries. In other words, the British Commonwealth of Nations means that a British and a member of the Commonwealth has something like 10 slaves under his control. In other words, the preservation of the British Commonwealth of Nations means the continuance of India's present slavery and its domination by the British and the Dominions. Formerly, it was not so bad

but now the Dominions and even the United States of America have been brought in with Britain and India's bondage is beset with so many difficulties that we do not think we will ever be free. Such being the case, we are not interested in the British Commonwealth of Nations. After all, what is it? You remain free and you become richer. What is that to me because I am not free and I am growing poorer and poorer every day. So this slogan does not interest us.

(The Honourable Member made a pause.)

Mr. Deputy President (Mr. Akhil Chandra Datta): I think the Honourable Member had better finish now.

Mr. Abdur Rasheed Choudhury: Sir, a word about post-war reconstruction and then I finish. Paragraph 52 of the Honourable the Finance Member's Budget speech has given us an idea of the post-war reconstruction. In that paragraph he has said that a forward policy of industrialisation has been planned in order to raise the standard of living of India. Now, Sir, it at once brings in the question: Who lowered the standard of living of Indians? And how are you interested now in the industrialisation of the country after killing its industry once? About a hundred years before, Britain, India and Japan and other countries were almost on the same economic level. Everybody had about Rs. 100 as *per capita* income. But now in the case of other countries the *per capita* income has been raised to something like Rs. 1,000, the *per capita* income of India has come down to Rs. 65. Only the other day, in reply to a question, the Honourable the Finance Member amused us by saying that steps were not taken to raise the standard of living of Indians before because he was not concerned with that subject and because he had no voice in the matter. It might have been done by his predecessor for which he cannot bear responsibility. The same might be said about him. He is imposing taxes to find money for this industrialisation. He has got one year's extension and he may lay down a policy. When his successor will come, he will say: "I am not responsible for this policy and I am not going to follow it; I will follow my own policy". So long as there is no change in the system of administration which is responsible for the poverty of the country, your bright proposals of industrialisation of the country and post-war reconstruction are simply bombastic words and we do not believe in them. So, if you want to industrialise the country, change the system of administration and then you will find that we are all interested in it. It is not an impossible thing to raise the standard of living. The other day we were discussing Bombay plan and we showed how money could be had for it. If there is a heart to do a thing, money comes of itself. But that heart we cannot supply. Let there be a heart first.

The Honourable Sir Jeremy Raisman: I do not see the Honourable Member having the heart to facilitate money coming of itself judging by his remarks about the taxes.

Mr. Abdur Rasheed Choudhury: Taxes we are paying and we will pay more. If we survive, we will pay. If we do not survive, we are not interested in your taxation. I do not say that I am not ready to pay taxes. I know that taxation is a very important institution to keep the country in proper order. There need not be any doubt about that. But if you want to have any post-war reconstruction, change the system of administration. Let India have a hand in its administration, and then think of this post-war reconstruction. At present we have not got any hand in this administration. You simply frowned at us when the question of the scrutiny of the Central finances was raised, you said that even if there were 40 defeats, you would not budge an inch. You do not like any scrutiny. We, who live in the interior, know the abuses that are going on and how the money is being wasted and that knowledge of ours forces us to come with the suggestion that the Central finances require more scrutiny than at present. I can give you one example.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

The other day, an area of about 50 square miles was notified for occupation by the American armies. The inhabitants were only given 48 hours notice to

[Mr. Abdur Rasheed Choudhury.]

Now about the method of taxation. We are accustomed to Finance Members defying the intelligentsia of the country but not the feelings of the masses against the Government. But the present Finance Member is not only defying the intelligentsia of the country, but he has excited the masses against Government by his taxation proposals. Go anywhere in the country and the unrest you find there can only be compared with the excitement of the times about which the late Bankim Chandra wrote his book named "Anandamath". The rich, the poor, everybody is excited over this method of taxation, and they all say that it is unnecessary. The Honourable the Finance Member could have avoided taxation and I can suggest ways by which he could have met the deficit. We have got large balances in foreign countries by way of sterling and dollar balances, and if a portion of these were utilised to meet current expenditure, it would not have been necessary to levy duties on kitchen articles so to say, on betel-nuts, on tobacco, tea and coffee. Then he could have borrowed more money in order to tide over the difficulty, but he is not satisfied with this. He is borrowing and he is taxing. He is impoverishing the country. The result will be when we have got to borrow again people will demand a higher rate of interest.

Now, a word about control. I would be very brief on this. We have seen the Government control in the case of foodstuffs. First there was control, then there was no control, and again there was control. While this sort of experiment goes on, India suffers a good deal and she suffered especially in Bengal. Do we find any improvement? According to me, there is no improvement. The control rate of rice, for instance, in Bengal, as we heard the other day, is something like Rs. 18-8-0, but I can assure the House that in no town in Bengal and Assam is rice selling at less than Rs. 20 a maund. Then where is the control? What control have Government got? Is it that when they fixed the price the idea was that this price should not be enforced? I think it is like that. Then let us take the case of cloth. There also you find the same thing. If you go to the market what do you find? The shopkeeper says, "here is no cloth". If you press him, he brings out something, "here is some cloth. You can take it". Then you find though there is a seal on the cloth there is no price mentioned.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: He can be prosecuted for this.

Dr. Sir Zia Uddin Ahmad: What is the fine? So much contribution to the war loan!

Mr. Abdur Rasheed Choudhury: There is no cloth in the market. Then take the standard cloth. People go to purchase standard cloth.

Sir Cowasjee Jehangir: Are you talking of Assam?

Mr. Abdur Rasheed Choudhury: I am speaking of Assam, especially of the town of Sylhet which is a very important town in Assam. People go to purchase standard cloth. You find the godown closed even though you go there twice, thrice or even four times. For days the godown is closed; it is supposed to be in charge of an officer, and when that gentleman comes nobody knows. This is the condition regarding cloth. There is no control of price and we have to purchase things from the market at such prices at which we can manage to get them. The question of control is a myth to the people. Why are the Government so slack in enforcing their control? That is the question that is asked everywhere. Are the Government so inefficient that they cannot control the prices? No. Government is quite efficient, but how is it that they are not keen on enforcing this control price? And critics ascribe many things, and one is that the Government want to keep famine conditions in the country so that they may get more recruits for the army.

Mr. Abdur Rasheed Choudhury: People say. I am not saying myself. I bring to the notice of Government what people say.

The Honourable Sir Jeremy Raisman: The Honourable Member keeps on repeating the stale epigrams which he mentioned about three months ago.

Mr. Abdur Rasheed Choudhury: My Honourable friend, Mr. Krishnamachari, touched all the aspects of the question of foreign balances. I won't simply repeat his arguments, which is a practice to which I am not accustomed. But only one aspect of it is this. Why is it that foreign countries, say, England, America, or the Dominions, are supplied with our articles at pre-war rates?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: No.

Mr. Abdur Rasheed Choudhury: You are supplying them at pre-war rates.

The Honourable Sir Jeremy Raisman: What?

Mr. Abdur Rasheed Choudhury: You are supplying iron goods, jute goods and other things at pre-war rates.

The Honourable Sir Jeremy Raisman: No.

An Honourable Member: You are supplying at control rates.

Mr. Abdur Rasheed Choudhury: If the Honourable the Finance Member is satisfied that he is right, I leave it at that, but I have brought to your notice the impression that people have got. Regarding the utilisation of these balances, Mr. Krishnamachari has dealt with that question also. I also submit that our sterling balances and dollar balances should not be allowed to accumulate to more than 1000 crores, and they should be utilised now so that people may get adequate advantage out of it.

I now come to the Province of Assam. Let me tell the Honourable the Finance Member what contribution Assam is making to the finances of the Central Government, and how Assam is treated in the case of services and the loaves and fishes in the Central Government. In 1939 Assam was contributing something like 23 crores to central revenue per year, by way of customs duties on machinery required for the tea industry, by way of customs duties.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: 23 crores?

Mr. Abdur Rasheed Choudhury: Yes.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: Annually?

Mr. Abdur Rasheed Choudhury: Yes. If the Honourable the Finance Member will collect the figures, he will find that Assam is contributing something like 4 times her Provincial revenue to the central coffers; I am mistaken, it is five times her revenue. The present revenue of Assam is something like four crores, and Assam is contributing 23 crores to the Central Government.

Sir Cowasjee Jehangir: How many crores of rupees worth of machinery does tea take every year to get Rs. 23 crores revenue from customs duties?

Mr. Hoosenbhoy A. Laljee (Bombay Central Division: Muhammadan Rural): Please hear what he has got to say, how he makes up that Rs. 23 crores.

Mr. Abdur Rasheed Choudhury: It is not machinery alone; there are income-tax, super-tax, petrol tax, etc. Assam's contribution to the Central Government is something like five times her provincial revenues. Assam has got a population of one crore out of a total of 22 crores of the British Indian Provinces. If the population basis is taken into consideration, Assam is

entitled to one-fifth of the loaves and fishes of the Central Government. If the contribution point is taken into consideration, Assam is entitled to more. But what has Assam got and what is she getting from the loaves and fishes of the Central Government? Here I have got a statement about the Central Services. I refer to a question put by my friend, Mr. Kuladhar Chaliha, No. 1206 in 1939. In reply to that, the Government gave a list of the appointments held by the Assam people. This is what I find. In the Indian Veterinary Service, there are altogether 10 appointments in the Gazetted Rank. Assam has got none. In the Indian Educational Service there are altogether 82 appointments and Assam has got only one. In the Indian Agricultural Service there are altogether 48 gazetted appointments of which Assam has got nil. In the Indian Forest Service, Assam has got no representation. In the Indian Forest Engineering Service, Assam has got no representation. In the Indian Medical Service there are altogether 213 appointments and of these Assam has:

[Mr. Abdur Rasheed Choudhury.]

quit their houses. It was done. They paid the inhabitants a compensation of two lakhs for removal of part of their houses. This was in the village of Akhalia in the district of Sylhet. On the third day, another notice came in saying that they were not going to occupy that area. So, these two lakhs were wasted. Similarly if you go and look at Sylhet Aerodrome, you find hundreds of bags of cement lying as stone without any use. The Government spent some lakhs of rupees on a road from Sylhet to a place called Brahmanbazar. In one year they acquired land and they raised the level of the road and they were going to make the road into a first class one spending money like water. After three months were over, the whole scheme was thrown out and the money spent on the earth was wasted because the earth was washed away by rains. These are some of the things which require scrutiny by the Central Government. You may frown and fret at my suggestions but the fact is you are squandering away the money and your control is not sufficient to check the abuses of your Department. As I told you I come from the war zone and anything that I speak is from personal knowledge and experience. Sir, I do not want to take much of the time of the House, and with these remarks I resume my seat.

Sir Vithal N. Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, I rise to support the motion before the House, not because I whole heartedly support all the detailed proposals of the Budget with which I shall deal later but because when a war is on, whatever the constitution of the Government may be if we are anxious to save the country from foreign invasion, it is our duty to offer support, no doubt of a discriminating character to the Government that is running the show. It is from this point of view that I rise to support the motion before the House. I was not aware, like my Honourable friend, Mr. Krishnamachari, that there was an understanding that whenever Members spoke on the Finance Bill, it was their duty to give notice to Honourable Members in charge of the Departments they proposed to criticise. If there was such an understanding, I would not have given any notice, because my remarks more or less concern the Finance Department and so long as the Honourable the Finance Member listens to me with a little patience, I shall be content. Last year, the Honourable the Finance Member, in the concluding portion of his speech regretted that he had no time to reply to certain of the criticisms and observations which I had made in my speech, but I hope, Sir, this year, if he thinks that any observations that I propose to make deserve a reply from him, I hope he will see that he gets the necessary time. Although we may not all agree in congratulating the Honourable the Finance Member on the structure of his Budget, yet I think we shall all agree that during the five years he has been here, he has shown that he is one of the ablest Finance Members we have had. If you will allow me, Sir, I shall point out only two weaknesses which I have noticed in him, one is he is a little too sensitive to criticism in this House and the other is he rather fights shy of contact with the public. I know he has had a very difficult task. He has been the Finance Member during the most difficult period of British rule in this country. He is not responsible for the present constitution. He has got several masters to please and he has really got to be the best of jugglers and jugglery requires great skill. It is not possible to please everybody. I do not know whether by his jugglery he has succeeded in pleasing everybody. He has not pleased a large section of my countrymen, and at the same time I must confess he has had a very difficult task to perform. I left last year's Budget meeting with rather a bitter taste in my mouth and was very much pained by the attitude the Finance Member took both in his opening and reply speeches. His opening speech was couched in a tone of subdued anger and the concluding remarks showed he lost his temper towards the close of his speech and brought in the Bombay speculators for severe criticism as if speculation is only confined to Bombay and no other part of India. He forgot the jute speculation in Bengal, the wheat speculation in the Punjab, and he talked only about Bombay speculators. At one of the meetings of the War

Committee in Bombay we were told by a very high authority that even in England there have been speculators and black markets and there have been several prosecutions for breaches of rules under the Defence of Realm Act. So, Sir, speculation is not confined to one particular Province or one particular community or one particular race. If there are people in Bombay who have learnt the art of speculation, perhaps the country from which they learnt their lesson is the country from where the Honourable the Finance Member himself comes. Sir, last year, in my speech on the Budget, I made certain suggestions both in regard to taxation and in regard to anti-inflationary measures. I advocated the principle of what is called taxation reserve deposits. I advocated the principle of mopping up surplus purchasing power in the hands of the people. I also proposed, like other Honourable Members of this House, that the exemption limit in the case of income-tax should be raised to Rs. 3,000 or at least to Rs. 2,000. Sir, I am glad that the Honourable the Finance Member has agreed to raise the minimum to Rs. 2,000. I shall be still more glad if he accepts the amendment to raise the limit to Rs. 3,000. As regards the principle of advance payments of income-tax and super-tax, I shall reserve my remarks when the Income Tax Bill comes before the House, if it is allowed to come before the House within a reasonable time, because it is not possible for all of us, coming as we do from distant parts, to sit here for days and days.

Now, Sir, I shall at once say that the keynote of the Honourable the Finance Member's Budget is that it is essentially an anti-inflationary Budget. No doubt it is also a taxation Budget. The Honourable the Finance Member has taken courage in both his hands and tried to check the growth of inflation. I congratulate him. Last year, he referred to a large number of people—in not very complimentary terms,—who were proclaiming that inflation was already there and that it was growing. The economists, some of whom came from Bombay, said that the source of inflation was the arrangement in force for making rupee disbursement on behalf of His Majesty's Government and the Allied Governments and the currency machinery of the Reserve Bank was regarded as the conduit pipe of inflationary credit. Last year the Finance Member admitted that there were inflationary tendencies but he asked us not to take a too pessimistic view of the currency expansion that had taken place. Now the total notes in circulation in August 1939,—if I am wrong the Finance Member will correct me,—was 179 crores; at the end of March 1943 it was 643 crores and today it stands at about 874 crores. I am corrected by my friend, Mr. Jannadas Mehta, who says that it is now 882 crores. I am glad that the Finance Member now admits that he has not been able to raise sufficient rupees by loan to finance war expenditure, that the currency notes issued to fill the gap though backed by sterling assets were incapable of being converted into goods and that the increase in the purchasing power in the country has had inflationary effects. He spoke of the various controls that had been established in the country. No doubt that was a correct policy, and although in several parts the controls are not functioning properly that is not the fault entirely of Government; it is also the fault of the people who are not willing to co-operate with Government. My Honourable friend from Assam spoke about the difficulty of getting cloth at controlled rates in Assam. I believe the Assam Government is functioning and there is also a legislature meeting from time to time. I wonder if the people there have brought this matter to the notice of Government. Because, as far as cloth control is concerned, since June, 1943, whatever opinion one may have about the adequacy of the fall in prices, great care has been taken to see that every man who wants to buy cloth, whether at wholesale or retail rates, knows exactly what the price of that cloth is. The prices are marked on the cloth before it leaves the mill, and if some people in Assam remove the markings they are guilty of a serious offence. I wonder whether any prosecutions have taken place in that province. The controls are no doubt helpful to check inflation but, as the Finance Member himself admits, the menace of inflation cannot be said to have been averted so long as the total of

1310

LEGISLATIVE ASSEMBLY

[20TH MAR. 1944]

[Sir Vithal N. Chandavarkar.]

taxation and borrowing falls short of the total of rupee outgoings. That is exactly the correct principle to be followed, however much the Finance Member may try to justify the soundness of his currency expansion policy relying on the strength of the sterling balances. The Finance Member argued that inflation was inevitable in all countries at war and even in many countries which are not at war. It is reported,—I shall be glad to be corrected if I am wrong,—that the rise in prices in Canada amounts to 17 per cent, Australia 14·8 per cent, New Zealand 10·2 per cent., South Africa 15·1 per cent. and United Kingdom about 30 per cent. In India I believe they have gone up more than 200 per cent., nearly 300 per cent. I was not here during the railway budget debate but I was surprised to hear that in discussing the increase in railway fares the War Transport Member put forward as one of his arguments that because others are charging higher prices why should he not charge higher rates. Is that a correct argument to be put forward by Government which is trying to get all of us under control and to see that the man in the street gets his consumer goods at reasonable prices? We can understand the Finance Member's argument that he was looking at the increase in railway fares as an anti-inflationary measure; but even in speaking on this question the Finance Member made an observation which I thought was rather unfortunate. He said, "If you speak from the humanitarian point of view I can understand it; but if you speak from the economic point of view I cannot understand your argument". I have yet to know that there can be any system of economics which can be divorced from principles of humanitarianism. I thought the whole war is based on the principle that we are all fighting for the principle of humanity and democracy which we say are absent from the principle of economy which Hitler is pursuing in his own country.

The Honourable Sir Jeremy Raisman: What was the humanitarianism which actuated the Bombay millowners in charging 500 per cent. more for their products?

Sir Vithal N. Chandavarkar: I am afraid I have again irritated the Finance Member.

The Honourable Sir Jeremy Raisman: No, I just want to know.

Sir Vithal N. Chandavarkar: I was coming to that later on. As far as we the Bombay millowners are concerned, our conscience is clear. From August 1940 we have been asking Government to devise a machinery which will bring the production and prices under control, which has now been in existence since May 1943. At that time the prices were low and Government wanted to exploit us by buying cloth at lowest rates on the indent system; when they were again thinking of control there was a change in the whole situation and the prices fell. Government slept, only they were sleeping in the cooler climate of Simla. We cannot be blamed if Government which is supposed to control currency and inflation did not take any steps. Naturally we were carried across the current in spite of ourselves. Government did nothing to take note of our warning and to bring in control which they should have done in August 1940 and not in June 1943. So it comes with ill grace from the mouth of a representative of Government which sat quiet and did not worry about these things which they ought to have anticipated in a war which Mr. Churchill said was going to last for three or four years and was likely to come to India, a Government which allowed rice to go from Burma to Japan,—a potential enemy,—in spite of warnings given by us, which did not even take care to buy rice and bring it to India, which did not care to exploit the use the country-craft facilities to carry rice from the east to the west coast. A representative of that Government cannot throw stones at others while living in a glass house himself.

Pandit Lakshmi Kanta Maitra: Then vote with us.

Sir Vithal N. Chandavarkar: If I thought that my Honourable friend was serious about running this Government and would run it better I would certainly vote with him. But I am not sure whether even if I vote with him and drive

this Government out of office my friends on the other side would be prepared to take office and run the Government of this country.

Now, to come back to my subject. I would like the Honourable the Finance Member to enlighten me why he has not yet taken seriously the suggestions made by the economists of India about stopping inflation. One method was that the raising of rupee resources required by the U. S. A. and the U. K. was primarily their concern which Government have admitted now by allowing sales of their gold in this country. I have never been able to understand the Finance Member's refusal to consider the suggestions made that the Government of India and the Reserve Bank should also help the Allied Governments to raise more rupee resources on the credit of British commercial assets in India or give them credit in rupees raised by loans for the purpose. This, it is argued, will prevent the need for issuing more currency to that extent and thus effectively check inflation at the source. I am not an economist. I am open to conviction. I admit that the arguments put forward by the economists have made a good impression upon me, but if the Finance Member will refute those arguments and explain to me at some length as to why that is not possible, I am prepared to be convinced that the economists who made the suggestion were wrong and he was right.

Mr. T. Chapman-Mortimer (Bengal: European): I do not want to interrupt the Honourable Member, but I should be very grateful if he would explain whether what he is suggesting is the buying of British sterling interests, or British rupee interests, or what exactly is he suggesting?

Sir Vithal N. Chandavarkar: I have made it clear, Sir.

The Honourable Sir Jeremy Raisman: You did not.

Sir Vithal N. Chandavarkar: I made it clear that it was a suggestion made by economists in Bombay. I am not an expert economist. I say that I do not like the principle of expropriation. I do not like to hit interests which are established here, provided they are prepared to remain in this country on the basis of complete equality and not on the principle of domination. All that I want to know is what is the reaction of the Honourable the Finance Member to the suggestion made in series of lectures by some of the economists in Bombay and other parts of the country.

The Honourable Sir Jeremy Raisman: You have just given the answer.

Sir Vithal N. Chandavarkar: I have not. Then, Sir, as regards gold, there is a strong feeling in the country to which expression was given by my Honourable friend, Mr. Krishnamachari. It is nearly six months now since the Reserve Bank commenced sales of gold bullion in the Bombay market. From answers given by the Finance Member in the Legislative Assembly in this connection, it is now clear that gold is being sold by the Reserve Bank as agents of the British and the United States of America Treasuries and the proceeds are utilized to pay partially for the expenditure incurred on behalf of these two countries in India. What, however, seems strange and inequitable is that, while the world price of the metal—based on the official price of 168 shillings and 35 dollars per ounce in Britain and the United States of America respectively—is equivalent to Rs. 42 and odd per tola together with charges at about 5 per cent., gold should be sold in India at as high as Rs. 71 and the worst of all this is that the entire profit amounting to nearly Rs. 29 to Rs. 30 per tola goes to the foreign exchequer instead of to the Government of India. If it is argued that India is now getting gold it wants, it need hardly be emphasised that goods are far more essential to the United States of America and the United Kingdom in these days than gold. According to market estimates, some five million (fifty lakhs) tolas have been sold so far, yielding a net profit of at least Rs. 15 crores. If these funds had accrued to the Indian Exchequer instead of such wealthy countries as the United Kingdom and the United States of America, the Indian tax-payer would have benefited to that extent and it would not have been necessary to levy fresh taxation on such a colossal scale. The Finance Member argues that gold belongs to the United Kingdom and the United States and they are prepared to release it at the rate at which they want. Are they going to be allowed to profiteer in this country?

LEGISLATIVE ASSEMBLY

Tuesday, 21st March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS

(a) ORAL ANSWERS

SUITABILITY OF RATIONALISED COAL SUPPLIED TO CONSUMERS

534. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for War Transport please state if he proposes to enquire about the suitability of the rationalised coal supplied under the rationalisation scheme to consumers regarding (i) price, (ii) consumption, and (iii) quality?

The Honourable Sir Edward Benthall: The rationalisation scheme to which the Honourable Member refers is, I take it, the scheme devised by the Controller of Coal Distribution in the latter half of 1943 in order to obtain maximum coal despatches within the limits of available transport. The scheme was only brought into partial operation and will be superseded by the Coal Control Scheme now under consideration. In these circumstances I do not consider that any enquiry into the working of the rationalisation scheme is called for.

VACILLATING POLICY OF GOVERNMENT RE SUPPLY OF HARD COKE

535. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable Member for War Transport please state if it is a fact that manufacturing of hard coke and supply of wagons were stopped to those who were not manufacturing by-products? Is it a fact that, in consequence of such stoppage, 50,000 to 60,000 tons of hard coke were accumulated in stock in such collieries?

(b) Is it not a fact that on the 3rd November last the Coal Controller for distribution suddenly released wagons for hard coke for all the collieries for booking hard coke to any consignee at any part of India without giving any notice to merchants who used to supply hard coke?

(c) What led the Coal Controlling Officer to avoid the new scheme of Provincial allotments and priority supplies?

The Honourable Sir Edward Benthall: (a) In view of the shortage of transport and the importance, to the war effort, of maintaining the production of coal tar by-products at the maximum possible level, priority of wagon supply was given to producers of hard coke who were recovering the by-products, but whenever the wagon position permitted, collieries manufacturing hard coke without recovering by-products were given supplies of wagons to assist in the clearance of stocks. I understand that by the end of September 1943 stocks at these collieries had accumulated to about 50,000 tons.

(b) and (c). The severe drop in coal raisings in October last resulted in an unexpected surplus of wagons in the Bengal and Bihar coalfields. In order to make the most effective use of the available wagon supply, wagons were allotted to all collieries producing hard coke to enable them to clear their stocks. As the improvement in the wagon position was temporary and time was an important factor, it was not possible to obtain detailed programmes of despatches from the Provincial Controllers. Full particulars of the supplies thus arranged with names of consignees and destination stations were, however, furnished to Provincial Controllers.

Dr. Sir Zia Uddin Ahmad: In view of the fact that we have produced fresh rolling stock, I would like to ask whether the situation will be eased in the future?

The Honourable Sir Edward Benthall: The position is still tight.

FORCED ENTRY OF SOLDIERS INTO LADIES' INTERMEDIATE COMPARTMENT AT BURDWAN

536. *Mr. Amarendra Nath Chattopadhyaya: (a) Is the Honourable Member for Railways aware of the fact that on the 13th February, 1944, foreign and

Indian soldiers forcibly entered into the Ladies' Intermediate Compartment and travelled all the way by the 62 Down, and that the station staff of Burdwan did not take any step to prevent it? Will the Honourable Member enquire about the matter and state what steps he took to punish the responsible Railway staff who neglected their duty?

(b) Will the Honourable Member draw the attention of the Head of the Military Departments so that they might warn soldiers not to create such troubles to ladies on the Railway line hereafter?

The Honourable Sir Edward Benthall: (a) In spite of special enquiries no information regarding the alleged incident has been secured.

(b) The question of discipline of military personnel travelling by rail is one which receives the constant attention of the military authorities who invariably take strong disciplinary action against proved offenders.

Mr. Govind V. Deshmukh: In view of the fact that full details regarding the date of the occurrence, the number of the train and so on are given, may I know what information was elicited at the inquiries made?

The Honourable Sir Edward Benthall: Inquiries were made both at Burdwan and Howrah. None of the staff had any knowledge of the incident complained of. The guard of the train was specially interrogated and he stated that nobody made any complaint regarding the matter.

Pandit Lakshmi Kanta Mahtta: Will the Honourable Member impress on the Railway staff to see to it that the railway employees attend to their duties on such occasions, because it has been our unfortunate experience that whenever there is trouble with the military personnel the Railway staff are absent from the scene and they do not take care.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

PAUCITY OF MUSLIMS IN DELHI DIVISION, NORTH WESTERN RAILWAY

†537. ***Mr. H. M. Abdullah:** Will the Honourable Member for Railways be pleased to state:

(a) the number of Divisional and Assistant Officers in the Delhi Division of the North Western Railway, community-wise;

(b) the number of Head Clerks in the said office, community-wise;

(c) if it is a fact that there is no Muslim Divisional Officer or Head Clerk in this Division, and that the number of Muslim Assistant Officers is negligible; and

(d) if the reply to (c) is in the affirmative, what steps Government propose to take to post an adequate number of Muslim officers and Head Clerks to this Division?

The Honourable Sir Edward Benthall: (a) Five European and Anglo-Indian five Hindu and one Muslim Divisional Officers and seven European and Anglo-Indian, seven Hindu, three Other Minority Community and two Muslim Assistant Officers.

(b) Five Hindus and two Other Minority Communities.

(c) The Honourable Member is referred to the replies to parts (a) and (b).

(d) Does not arise.

PERCENTAGE OF MUSLIM RECRUITMENT FOR DELHI DIVISION RAILWAY GRAIN SHOPS

†538. ***Mr. H. M. Abdullah:** Will the Honourable Member for Railways be pleased to state:

(a) whether it is a fact that subordinate posts created in the Delhi Division in connection with grain shops were not advertised;

(b) whether percentage prescribed for direct recruitment of Muslims has not been observed in making appointments to these posts;

(c) if the replies to (a) and (b) are in the negative, the total number of subordinate and inferior staff, separately, recruited for the said grain shops up to date, and the number of Muslims therein; and

†Answer to this question laid on the table, the questioner being absent.

(d) if the replies to (a) and (b) are in the affirmative, what steps Government propose to take to give Muslims their due representation to these posts?

The Honourable Sir Edward Benthall: (a) Yes.

(b) Yes, in spite of the best efforts to do so.

(c) Does not arise.

(d) Efforts are continually being made to recruit Muslims and deficiencies will be carried forward according to the rules.

INSUFFICIENCY OF LABOUR FOR LOADING AND UNLOADING IN DELHI DIVISION

†539. ***Mr. H. M. Abdullah:** (a) Will the Honourable Member for Railways be pleased to state if it is a fact that Loading and Unloading Contractor's supply of labour in the Delhi Division is insufficient to meet the traffic requirements?

(b) Is it a fact that in the month of September, 1943, the Divisional Commercial Officer issued a telegram to the Station Master, Narela, to release wagons by engaging bazar labour, as the contract labour was inadequate, but the higher authorities issued orders to the contrary, with the result that the wagons suffered 99 days' detention?

(c) Is it a fact that the Station Master pointed out to the Divisional Superintendent that this heavy detention could have been saved at a cost of Rs. 4/7/- per wagon?

(d) Is it a fact that similar orders were issued to other stations on the Division resulting in a heavy detention of 15,000 wagons in three months? Does the Honourable Member propose to place a statement on the table showing detention caused to wagons for want of contract labour, and state why the higher authorities interfered in the arrangements made by the officer in charge of the work?

(e) Is it a fact that loading and unloading contract was entrusted to the present contractors without inviting tenders and without making any legal agreement?

(f) Is it a fact that the present loading and unloading contractor has failed to supply labour in sufficient numbers? If so, what steps do Government propose to adopt to replace him by another contractor who can do the job efficiently?

The Honourable Sir Edward Benthall: (a) No.

(b) The facts are as follows:

Narela is a small roadside station at which traffic in only small quantities is received. During September relatively large quantities of wheat were received at Narela in wagon loads. The Station Master was given instructions by an Inspector to engage bazaar labour to release them. These orders were countermanded by the Divisional Office and the labour contractor was instructed to supply labour at once for the release of the wagons concerned. Had the Divisional Office been approached at once, the delay of 8 wagons for about 5 days that occurred would have been lessened.

(c) No.

(d) I am informed that orders were issued to all Station Masters on the Delhi Division that local labour must not be engaged without the prior sanction of the Divisional Office, but this did not result in any avoidable delay to stock. As regards the second part, I do not propose to place a statement on the table as its compilation will involve a great deal of time and labour and will not serve any useful purpose. As regards the last part there was no interference by higher authorities.

(e) Yes.

(f) I am informed that the supply of labour by the present loading and unloading contractor has been generally adequate. The second part does not, therefore, arise.

†Answer to this question laid on the table, the questioner being absent.

COMPOSITION OF SELECTION BOARDS FOR DELHI DIVISION

540. *Mr. H. M. Abdullah: (a) Will the Honourable Member for Railways be pleased to state the composition of Selection Boards set up in the Delhi Division during 1943-44 for the following posts:

- (i) Enquiry Clerks;
 - (ii) Platform Inspectors (for the first time);
 - (iii) Platform Inspectors (for the second time);
 - (iv) Training in T/5;
 - (v) Selecting Guards for promotion in Grade III; and
 - (vi) Assistants Claim Inspectors?
- (b) Was the Muslim Officer in all these Selection Boards of the same status as other members of the Selection Board?

(c) What is the result of these Selection Boards, stating the position of Muslims on the approved list?

(d) Is it a fact that on all these Selection Boards there were two Hindus and one Muslim and the result was based on the majority of votes?

(e) Is it a fact that in the case of platform Inspectors there were only two vacancies, but six persons were selected, viz., four for the waiting list? What were the reasons for keeping such a long waiting list?

(f) Is it a fact that all the six persons selected were Hindus?

(g) What was the number of candidates recommended for T/5, community-wise, as per list maintained in the Divisional Superintendent's Office, and the number of those selected by the Divisional Transportation Officer afterwards?

The Honourable Sir Edward Benthall: (a) (i), (ii) and (vi). Three District Officers.

(iii) and (iv). Three District Officers and one Assistant Officer.

(v) No Selection Boards are prescribed for this.

(b) Yes, except (iii) and (iv).

(c) I regret I cannot give the order in which the candidates have been placed, but 27 Muslims and 56 non-Muslims in all were selected.

(d) Yes, except in (iii) and (iv); the results were unanimous and not by majority of votes.

(e) Yes, as more vacancies were expected.

(f) No.

(g) In the original list there were 22 Muslims, 12 Hindus, 6 Sikhs and 3 Anglo-Indians; in the second list there were 19 Muslims, 18 Hindus, 5 Sikhs and 9 Anglo-Indians; the selection was made by a Selection Board and not by the Divisional Transportation Officer.

SUB-ASSISTANT SURGEONS RECRUITED ON NORTH WESTERN RAILWAY

541. *Syed Ghulam Bhik Nairang: Will the Honourable Member for Railways be pleased to state:

(a) if it is a fact that a large number of Sub-Assistant Surgeons was recruited on the North Western Railway after July, 1931, in the scale of Rs. 65—5/2—85—100—10/2—120, and whether all the doctors so recruited are licentiates;

(b) whether it is a fact that Sub-Assistant Surgeons are not permitted to practise, that their fees for attending a patient who is a member of a Railway employee's family is annas eight per visit, and that they get only third class passes for travelling on duty until their pay rises by increments to over Rs. 75;

(c) whether it is a fact that there is a good deal of discontent among the Sub-Assistant Surgeons on account of their low pay and grade, and scale of professional fees and travelling passes; and

(d) whether, in view of the fact that there is now no Medical School throughout India and all future recruits to the medical service on Railways will be Medical Graduates, Government propose to abolish the distinction between licentiates and graduates, and fix one scale of pay for all graduates

†Answer to this question laid on the table, the questioner being absent.

and licentiates now serving in the department and for those to be recruited in future, giving the service more liberal terms?

The Honourable Sir Edward Benthall: (a) There are two scales, Rs. 65—5/2—85 (recently revised to Rs. 75—5—100) and Rs. 100—10/2—120 on the N. W. Railway and recruitment is made normally to the lower grade; the reply to the second part is in the affirmative.

(b) Sub-Assistant Surgeons cannot engage in private practice except with the permission of the administration; the replies to the other parts are in the affirmative.

(c) I understand that the Sub-Assistant Surgeons have made certain representations.

(d) There are Medical Schools in some provinces; Government do not at present consider that the conditions of service of Sub-Assistant Surgeons are unreasonable and need revision.

Mr. Lalchand Navlari: May I know whether in practice these Sub-Assistant Surgeons are allowed to have private practice?

The Honourable Sir Edward Benthall: I believe so, Sir.

Sir Muhammad Yamin Khan: Does the Government think that this salary which is shown here is a proper salary for a man who qualifies himself after such a long period of education in the schools?

The Honourable Sir Edward Benthall: Hitherto, I understand, there has been no difficulty in getting recruits but recently there was some trouble and the scale was revised.

Sir Muhammad Yamin Khan: What is the revised salary? Is the revised pay sufficient to induce anybody to come up and join, when the Honourable Member knows that all the doctors are required for military service and none will be available for the Railways?

The Honourable Sir Edward Benthall: I understand that is so but the matter is under the consideration of the Medical Section of the Indian Railway Conference Association.

MEDICAL FEES FOR ATTENDING TO NORTH WESTERN RAILWAY EMPLOYEES

542. *Syed Ghulam Bhik Nairang: Will the Honourable Member for Railways be pleased to state:

(a) whether Divisional Medical Officers in the service of the North Western Railway are not entitled to charge any fee for attending to a Railway employee, whatever the latter's pay may be, but they can charge fee for attending to a member of a Railway employee's family at the rates of Rs. 3 per visit if the employee gets pay from Rs. 75 to Rs. 825, and Rs. 5 per visit if the pay of the employee is over Rs. 825;

(b) whether the status of a Divisional Medical Officer on the North Western Railway is equal to that of a Civil Surgeon;

(c) whether the rate of fee of a Civil Surgeon is Rs. 16 per visit from all Government servants;

(d) whether Government propose to raise the rate of the Divisional Medical Officer's fee to Rs. 16 per visit;

(e) whether a Divisional Medical Officer has any prospects of rising to a higher post in the Railway service; and

(f) whether Government propose to throw the posts of Divisional Superintendent, Deputy General Manager (Personnel), Director of Establishment or Member, Railway Board (Staff), open to Divisional Medical Officers, in view of the fact that these jobs are purely administrative and non-technical?

The Honourable Sir Edward Benthall: (a), (b) and (c). Yes.

(d) No.

(e) Yes, he can achieve selection to the post of Chief Medical Officer.

(f) No.

DESIRABILITY OF ESTABLISHING A MEDICAL DIRECTORATE IN RAILWAY BOARD

543. *Syed Ghulam Bhik Nairang: Will the Honourable Member for Railways be pleased to state:

(a) the names of the several Directorates in the Railway Board dealing with separate subjects and Branches of the Railway service; and

(b) whether, in view of the fact that nearly all the Railways in India have now become State Railways and each of the Railways has got a Medical service, Government propose to establish a Medical Directorate in the Railway Board charged with the duty of looking after the interests of the Railway Medical Services and dealing with their complaints and representations?

The Honourable Sir Edward Benthall: (a) The Permanent Directorates in the Board's Office and the subjects that they deal with are:

(i) *Establishment Directorate*—Deals with all Establishment matters of all branches of Railway Services.

(ii) *Finance Directorate*—Deals with all financial matters, and the Railway Budget.

(iii) *Mechanical Engineering Directorate*—Deals with all matters affecting Mechanical and Electrical Engineering and Stores including Medical Supplies in bulk.

(iv) *Civil Engineering Directorate*—Deals with all matters in connection with Civil Engineering and with A. R. P. measures.

(v) *Traffic Directorate*—Deals with all matters affecting Transportation and Commercial work on Railways, and

(vi) *Accounts Directorate*—Deals with all matters pertaining to Accounting, Allocation and Payments on Railways.

(b) Government do not consider that any action is necessary as the Establishment Directorate deals with all Staff questions affecting personnel in Railway Medical Services.

PASSENGER BOGIES OF DACCA MAIL TRAIN CATCHING FIRE

544. ***Mr. K. O. Neogy:** Will the Honourable Member for Railways be pleased to state whether it is a fact that certain passenger bogies of the Dacca Mail train running from Goalundo to Calcutta caught fire on the morning of the 5th March last, and that as a result several passengers were injured? If so, does the Honourable Member propose to make a full statement on the subject, giving all available particulars?

The Honourable Sir Edward Benthall: Brief details are as follows:

Two passenger coaches in the rear of the Down Dacca Mail caught fire at about 4-50 A.M. on the 5th. On noticing a smell of burning, the Guard applied the vacuum brake and stopped the train. Unfortunately a portion of the affected coaches came to a stand over a culvert and some passengers panicked and jumped out.

A total of 18 persons were injured—12 slightly and 6 seriously—one of whom died later. First-aid was rendered promptly by the Guard of the train at the site of the accident and at Ranaghat Junction by the Sub-Assistant Surgeon. By the 15th of March 4 passengers remained in hospital and were reported to be progressing satisfactorily.

In reply to the second portion of the question I lay on the table a statement giving all details available.

The following information has been received from the B. & A. Railway:

Description of Accident.—At about 4-50 hrs. on the 5th March, 1944, at mile 57 between Bogoola and Aranghata Bogie Third Class No. 1674 of 8 Down Dacca Mail, which was the ninth carriage from the engine caught fire. The Guard of the train on getting the smell of something burning applied his vacuum brake but by the time the train was pulled up and stopped at mile 57, the fire had spread to the next Bogie Inter and Third Class Coach. The burning coaches were isolated and with the aid of the Train Engine of 729 Up the fire was brought under control. Fire extinguishers carried on the train were also used.

Number and nature of casualties.—Total number of persons injured were 18. Slightly injured 12 including the Guard of 8 Down Dacca Mail. Seriously injured six of which one proved fatal in the Campbell Hospital.

Arrangements made for the casualties.—Of the 18 casualties, eight were brought down to Calcutta by the same 8 Down Dacca Mail and the other ten by the following 2 Down Mail to Sealdah.

First-aid was promptly rendered by the Guard at the site of the accident and at Ranaghat by the Sub-Assistant Surgeon, Ranaghat.

DMO/CA and his staff, attended the casualties brought by both 8 Down Dacca Mail and 2 Down Mail and DMO/CA arranged accommodation for them as under:

(1) Railway Guard to B. R. Singh, Hospital.

(2) Seven injured persons brought down by DA Mail were sent to Medical College Hospital. Of these, five were discharged the same day on Risk Bonds. Of the remaining two one was serious, but they are satisfactorily progressing.

Ten injured persons were sent to Campbell Hospital. One of these ten injured persons died in the Campbell Hospital on the same day (the 5th March, 1944). Of the remaining nine three considered serious. Five of the injured persons have since been discharged and only four are still (the 15th March, 1944), in the Hospital but they are satisfactorily progressing.

Passengers received injuries not on account of the burning of carriages but by jumping out in a panicky state out of the coaches which unfortunately stood on a culvert.

Of the 18 persons injured nine (9) were females.

Cause.—Bogie coaches involved were thoroughly examined after the accident and gave no indication of a hot box or any electrical defect which could have caused the fire.

A Departmental Enquiry Committee was held on the 14th March, 1944, and from all the available evidence recorded by them it has not been possible to elicit the actual cause of the accident.

Careless.—It is thought that the fire was due to use of lights such as candles or hurricane lanterns by passengers travelling in the bogie 3rd class coach No. 1674.

Mr. T. T. Krishnamachari: May I ask the Honourable Member in connection with this question of passenger coaches catching fire, whether his attention has been drawn to a similar incident on the Frontier Mail? Will he make a statement to the House giving information as to why that happened and how many people were affected by the incident?

The Honourable Sir Edward Benthall: No, Sir. I have not received information about the incident in the Frontier Mail. Inquiries have been held into this incident on the Dacca Mail and it has not been possible to elicit the actual cause of the incident. It is thought that it may be due to the use of candles or hurricane lamps by the passengers travelling.

Pandit Lakshmi Kanta Maitra: It is not due to hot axle?

The Honourable Sir Edward Benthall: There was no evidence to show that it was due to a hot box or an electrical short-circuit.

Mr. Govind V. Deshmukh: In case the incident was due to hurricane lamps or lights, will the Railways take proper precautions for lighting these carriages?

The Honourable Sir Edward Benthall: I have already told the House that we are endeavouring to obtain several lakhs of bulbs.

Mr. Lalchand Navalrai: Will these people get any compensation or are any compensation cases being considered?

The Honourable Sir Edward Benthall: I should require notice of that.

GOVERNMENT POLICY RELATING TO COAL INDUSTRY

545. ***Mr. K. O. Neogy:** (a) Has the attention of the Honourable Member for War Transport been drawn to the observations made by the President of the All-India Organisation of Industrial Employers at its eleventh annual meeting held at Delhi on the 5th March last, on the subject of Government's policy relating to the coal industry?

(b) Has the attention of the Honourable Member been particularly drawn to the following observations made in this connection:

"Government have announced that they would be allowing first-class coal to be exported to meet the requirements of Ceylon and Middle East countries to the extent of 100,000 tons per month. In addition, they would be allowing another 110,000 tons of first-class coal per month for bunkering purposes at Indian ports: thus, nearly one-third of the best first-class coal raised in the country would be utilised for non-industrial purposes outside India and its use would be denied to industrial concerns in the country?"

(c) Does the Honourable Member propose to make a statement explaining the position of Government in regard to the said observations?

The Honourable Sir Edward Benthall: (a) and (b). No, Sir.

(c) The attention of the Honourable Member is invited to the reply I gave to his starred question No. 57 on the 9th February, 1944, which states the policy of Government as regards exports of coal. As regards bunkers, ships which bring imports into Indian ports whether civil or military and ships which transport India's exports must be given suitable coal. It is hoped to improve the raisings of good quality coal along with other qualities.

Mr. K. C. Neogy: May I ask whether it is a fact that the bunkering requirements have to be met by first class coal as stated in this question?

The Honourable Sir Edward Benthall: That is so.

Mr. K. C. Neogy: Is the Honourable Member in a position to state to what extent the internal demand for first class coal will be affected by the provision of first class coal for these purposes?

The Honourable Sir Edward Benthall: To the extent to which coal is required for bunkers in Indian ports.

Mr. K. C. Neogy: Is the Honourable Member in a position to assure the House that so far as the internal consumption of first class coal is concerned, it will not be affected in the least by the commitment of Government in regard to the provision of first class coal for these purposes?

The Honourable Sir Edward Benthall: No, Sir. If coal is provided for bunkers, as it must be, to deal with India's imports and exports, obviously that amount less will be available for other purposes.

Mr. K. C. Neogy: Has the Honourable Member received any representations on this subject?

The Honourable Sir Edward Benthall: The subject is always under consideration, weekly or even daily.

DOUBLING OF RAILWAY LINE BETWEEN DELHI AND AGRA

546. *Mr. T. T. Krishnamachari: Will the Honourable the Railway Member please state:

(a) whether there was a project at any time to double the line between Delhi and Agra on the Great Indian Peninsula Railway; and, if so, when, and why it has not been taken up till now;

(b) whether he is aware that for want of a double line many of the down trains are delayed waiting for the up trains and *vice versa*; and

(c) whether in the list that has been drawn up for post war reconstruction, there is any idea of including this project of doubling the Agra Delhi chord and, if so, what place it has on the list?

The Honourable Sir Edward Benthall: (a) There has been no such project submitted to the Government of India.

(b) On single lines, it is impossible to avoid altogether delays to trains for crossing purposes, and the Agra-Delhi Chord is no exception.

(c) With a reduction in military transport requirements, traffic on the Agra-Delhi Chord is not likely to take up available capacity and justification for doubling this chord line, therefore, appears to be unlikely. The list of works to be undertaken for post-war reconstruction has not yet been finalised.

DESIRABILITY OF POSTING URDU-KNOWING POSTAL CLERKS IN CENTRAL PROVINCES

547. *Nawab Siddique Ali Khan: (a) Does the Secretary for Posts and Air propose to consider the desirability of posting Urdu-knowing clerks, at least one in each Post Office, at the Tahsil Headquarters in the Central Provinces and Berar, in view of the fact that Urdu-knowing public experiences great difficulty as the Postal staff does not know Urdu language?

(b) Does the Honourable Member propose to direct an enquiry to be made as to why some Urdu letters sent by me, specially to Messrs. Ghulam Ahmed Hasan, M.L.A. of Telegaon Dasasar (Berar) and Abdul Sattar Farooqi, Editor of *Al-Farooq*, Kamptee (Central Provinces), were sent to the Dead Letter Office, Bombay, and then redirected to the addressees, thereby causing inconvenience and unnecessary delay?

(c) What arrangement exists at present at Branch Post Offices in Berar, where the postal work is being done by the Marathi-knowing school masters for the delivery of Urdu letters and payment of money orders written in Urdu?

(d) Does the Honourable Member propose to consider the desirability of converting the Branch Post Office into a Departmental Sub-Post Office at Telegaon Dasasar (Berar)?

(e) Do Government propose to direct the Postmaster General, Central Circle, Nagpur, to ask the Inspector of Post Offices and the Superintendent of Post

Offices in Berar to give preference to Urdu school teachers while making appointments as they know Marathi language also?

(f) What are the names of those Sub-Post Offices in Berar where no Muslim has been posted as Sub-Post Master for the last ten years?

(g) Are Government aware that Mail Motors in Berar run late every day with the result that public experiences great inconvenience in not getting post in time?

Sir Gurnath Bewoor: (a) The Honourable Member's attention is invited to the reply given to his starred question No. 318 on the 19th November, 1943. I may, however, add that the Postmaster-General, Central Circle, has since issued instructions to post at least one Urdu-knowing clerk to as many post offices in the East and West Berar Divisions as possible.

(b) Yes. An enquiry will be made.

(c) Every attempt is made to have Urdu letters read by Urdu-knowing local residents and delivered to the addressees. As regards money orders written in the local Indian language, the money order clerk in the office of issue transcribes the name and address of the payees unless he knows for certain that the language used by the remitter can be read at the office of payment.

(d) The Postmaster-General will be asked to examine the proposal.

(e) The Postmaster-General, Central Circle, has already issued instructions to the Superintendents of Post Offices concerned in the matter.

(f) Government have no information and do not propose to call for the same as the time and labour involved in its collection is not justified in war time.

(g) Government have no information but a copy of the question is being sent to the Postmaster-General for such action as he may consider suitable.

CIRCLE TELEGRAPH SERVICES

548. *Syed Ghulam Bhik Nairang: Will the Secretary for Posts and Air be pleased to state:

(a) the number, pay and grade of—(i) Circle Service Telegraphists, (ii) Second Grade Clerks, (iii) Telephone Operators and (iv) Mistries, employed in the Telegraph Traffic and Engineering Branches in New Delhi;

(b) the housing arrangements made by Government for the officials mentioned in (a) above, the locality and number of quarters allotted to them, and the distance of such quarters from the offices in which they work;

(c) whether it is a fact that the said officials perform their duties at all hours during day and night in all kinds of weather and in all seasons; and

(d) whether Government propose to build or allot a sufficient number of quarters during the next financial year in a locality near their offices to relieve the hardship suffered by these low paid and overworked officials? If not, why not?

Sir Gurnath Bewoor: (a) A statement giving the information is placed on the table of the House.

(b) The Department has provided 141-D type, 25-E type and a certain number of Duftary type quarters for the officials of the Punjab and N. W. F. Circle in New Delhi. Of these, 48-D type quarters on the Baird Road and 25-E and 20 Duftary type quarters at Qarol Bagh are at present occupied by the officials mentioned in the reply to part (a) above. These are at a distance of about 1 mile and 3 miles, respectively, from their office.

(c) Yes.

(d) Apart from the excessive increase in the cost of building, the very serious shortage of materials and labour and the over-riding urgency of other war requirements in Delhi make the construction of more quarters extremely difficult at present. The question of providing more quarters will, however, be examined from time to time.

Number	Statement	Pay
(i) Circle Service telegraphists	55	Rs. 45-45-3-60-4-120 with a minimum remuneration of Rs. 55 p.m.
(ii) Second grade clerks	140	Old Scale Rs. 45-4-85 Revised Scale Rs. 40-40-3-85.
Grade I		
(iii) Telephone Operators	182	Old Scale Rs. 45-4-145. Revised Scale Rs. 95-4-115.
Grade II		
		Old Scale Rs. 45-4-85. Revised Scale Rs. 40-40-3-85.
Special Temporary War time-scale.		
		Male Operators Rs. 60-4-80. Female Operators Rs. 90-5-120.
Old Scales.		
(iv) Mistries	69	Rs. 120-5-145. Rs. 45-5-115. Rs. 45-4-85. Revised Scale Rs. 40-3-91-95.
N. B.—Temporary mistries are also employed on a daily wage of Rs. 2.		

CIRCLE TELEGRAPH SERVICES

449. *Syed Ghulam Bhik Nairang: Will the Secretary for Posts and Air be pleased to state:

(a) whether it is a fact that before 1938 there was an All-India Telegraph Service; and, if so, what the pay and grade of Telegraphists recruited therein was, and whether each of them got Rs. 40 per mensem house rent or free furnished family quarters;

(b) whether, since the year 1938 or thereabout, recruitment to the Service mentioned in (a) above has been stopped, and Circle Services have been substituted for the said service; and, if so, the pay and grade of the Telegraphists of such Circle Service;

(c) whether each Telegraphist is paid three pies per message on all messages over and above 200 per day which he sends during his duty hours; whether the amount so paid is known as pie money; and whether it is not compulsory for Telegraphists to earn pie money;

(d) whether it is a fact that Anglo-Indians recruited as Circle Telegraphists are given a starting pay of Rs. 55 per mensem, while Indians get a starting pay of Rs. 45 per mensem; whether an allowance of Rs. 10 per mensem for each Indian Telegraphist has also been sanctioned; and whether a Telegraphist is entitled to this allowance of Rs. 10 whether he earns pie money or not;

(e) whether it is a fact that the allowance of Rs. 10 is deducted from pie money in case a Telegraphist earns more than Rs. 10 as pie money;

(f) whether it is a fact that charge sheets are framed against Telegraphists who do not earn pie money although they may be despatching the number of messages per hour which they are required by the Telegraph Manual to despatch, thus spoiling the character rolls of Telegraphists;

(g) whether the Telegraphists are required to work from six to eight hours per day, are made to work for two hours even on Sundays, get no holidays except Diwali for Hindus and Id-ul-Zuha for Muslims, and whether even on these two festival days they are made to work for two hours; and

(h) whether Government propose to issue strict orders to officers concerned not to treat the Telegraphists in the way stated in (e) and (f) above?

Sir Gurunath Bewoor: (a) Prior to 1931, recruitment to the service of telegraphists was on an All-India basis and the scale of pay for such General

Service Telegraphists was Rs. 80—5—100—10—250 with rent-free quarters or a house rent allowance in lieu thereof at rates varying from Rs. 15 p.m. to Rs. 60 p.m. according to locality. There were also at that time local and station services of telegraphists on lower scales of pay.

(b) Yes, since 1931. The scale of pay of circle service telegraphists is Rs. 45—45—3—60—4—120.

(c) Pie money is granted for all messages disposed of on certain circuits only which are designated as pie money circuits, in excess of 150 messages per term of duty on Morse circuits and 200 messages per term of duty on Baudot, Murray and Teleprinter circuits. The rate of pie money is 4 pies per message on Morse circuits and 3 pies per message on other circuits. It is not compulsory for telegraphists to earn pie money.

(d) and (e). The facts are not as stated. The minimum remuneration of all circle service telegraphists, whether Anglo-Indians or Indians, has been fixed at Rs. 55 p.m. in the scale of Rs. 45—120 as given in the reply to part (b) above. Where the pay admissible under the ordinary rules in the basic scale of pay is less than the minimum remuneration of Rs. 55 p.m., the difference is treated as special personal allowance to be absorbed in future increments in the basic pay. Pie money is treated as an item of remuneration which is in the nature of pay for this purpose.

(f) No standard for despatching messages is laid down in the departmental manuals. A telegraphist must send or receive during his term of duty so long as there is traffic. Disciplinary action is taken for giving an unduly low output, or for deliberate slowing down of work.

(g) Telegraphists are required to work from 6 hours to 8 hours per day on all days except Sundays and Telegraph holidays. Duty on Sundays averages 2 hours per Sunday calculated over every four consecutive Sundays. Ordinarily there are six telegraph holidays, viz., New Year's Day, Good Friday, King's Birthday, Id-ul-Zuha, Diwali and Christmas Day, but the observance of King's Birthday as a holiday has been discontinued temporarily during War. On Telegraph holidays also the term of duty is 2 hours.

(h) Does not arise in view of the reply given to parts (e) and (f) above. Mr. Muhammad Nauman: In reply to part (f) of the question, the Honourable Member said low output and deliberate slow work. Who looks after whether it was deliberate action on the part of the Telegraphist or the work was not enough to warrant that?

Sir Gurunath Bewoor: There are Telegraph Masters and supervisors who are in charge and keep constant supervision of the work of the Telegraphists and it is they who can say whether it is deliberate action or whether it was a matter not within the control of the Telegraphist.

Mr. Muhammad Nauman: May I ask whether the assigned reasons are put in the form of a charge-sheet or whether it depends on the mere whim of the officer who is in charge and who looks after such things?

Sir Gurunath Bewoor: It depends on the facts and not on the whims.

NEW CADRE OF CARRIER ATTENDANTS

4550. *Syed Ghulam Bhik Nairang: Will the Secretary for Posts and Air be pleased to state:

(a) if a new cadre of carrier attendants has been recently created; what the scale of pay of this new cadre is, whether recruitment to this cadre is to be made on an All-India basis; and whether the service will be transferable within the Circles only;

(b) whether recruitment to the cadre referred to in (a) will be made through competitive examination;

(c) whether Government propose to recruit 50 per cent. of the new carrier attendants from Telephone Operators according to the model of rotation; if not, why not; and

†Answer to this question laid on the table, the questioner having exhausted his quota.

(d) whether Government propose to recruit the carrier attendants on a circle basis so as to give minority communities a better chance of getting appointments in better proportions; if not, why not?

Sir Gurunath Bewoor: (a) The reply to the first part is in the affirmative. The scale of pay is Rs. 60—4—100—5—130 and Carrier Attendants belong to an all-India cadre and are liable for service anywhere in India.

(b) Yes.

(c) The existing rules do not provide for any reservation for departmental candidates and all vacancies in the cadre are due to be filled according to the model communal rotation. The question of reservation of a certain percentage of appointments for departmental men is, however, receiving the attention of Government.

(d) The question will be considered.

MUSLIMS AS TELEGRAPH MASTERS

†551. ***Syed Ghulam Bhik Nairang:** Will the Secretary for Posts and Air be pleased to state:

(a) the total number of Telegraph Masters employed in the Department, and the total number of Muslims holding the post of Telegraph Masters; and

(b) whether Government propose to reserve two-thirds of all future vacancies in the cadre of Telegraph Masters for Muslims in order to make up the leeway?

Sir Gurunath Bewoor: (a) The total number of Telegraph Masters is 276 out of whom 6 are Muslims.

(b) No.

PROMOTIONS OF TELEPHONE OPERATORS

†552. ***Syed Ghulam Bhik Nairang:** Will the Secretary for Posts and Air be pleased to state:

(a) whether there is any fixed proportion between Telephone Operators of the First and Second Grade, and whether on a Grade I Operator being appointed Officiating Telegraph Supervisor or promoted to the post of Selection Grade Monitor or Telegraph Inspector, an officiating arrangement is made promoting a Grade II Operator to Grade I; and

(b) whether, in view of the obvious uncertainty and consequent hardship resulting from existing conditions, Government propose to fix the proportion of Grade I and Grade II Operators at 50 per cent. each?

Sir Gurunath Bewoor: (a) and (b). The proportion between I and II grade permanent posts of time scale telephone operators including monitors and telephone inspectors has recently been fixed at 50:50. Officiating promotion from the second to the first grade is not permissible as the duties of the posts in the two grades are interchangeable.

SENIOR SUBORDINATES PROMOTED TO LOWER GAZETTED SERVICE IN TRAFFIC AND COMMERCIAL BRANCHES, NORTH WESTERN RAILWAY

†553. ***Khan Bahadur Shaikh Fazl-i-Haq Piracha:** Will the Honourable Member for Railways please state:

(a) the number by communities of senior subordinates promoted to the Lower Gazetted Service in the Traffic and Commercial Branches of the North Western Railway during the last two years;

(b) if it is a fact that two posts in the Lower Gazetted Service have been recently temporarily created in the Commercial Branch of the Headquarters Office, North Western Railway; if so, whether any Muslim has been promoted to fill any of these posts;

(c) if it is a fact that three additional posts of Senior Claims Inspectors have been created in the Headquarters Office of the North Western Railway; and, if so, whether any Muslim has been promoted to any of these posts; and

(d) if it is a fact that the 'Traffic Officers' Association and the Engineering Officers' Association of the North Western Railway have protested against the

†Answer to this question laid on the table, the questioner having exhausted his quota.

‡Answer to this question laid on the table, the questioner being absent.

policy of granting extension of service to superannuated officers; and, if so, what decision has been arrived at on their representation?

The Honourable Sir Edward Benthall: (a) 5 Hindus, 4 Muslims, 3 other minority communities and 10 Europeans and Anglo-Indians.

(b) It is not clear which two posts are referred to. If the two latest posts created in the Commercial Department are meant, the reply to the second part is in the negative.

(c) Three posts of Claims Inspectors have been temporarily upgraded to Senior Claims Inspectors and one of these is held by a Muslim.

(d) Yes; Government's policy in this matter has been explained to the General Manager who has been instructed to explain it to the officers concerned.

PROMOTION OF SENIOR SUBORDINATES AS SUB-STORE-KEEPERS ON NORTH WESTERN RAILWAY

†554. ***Khan Bahadur Shaikh Fazl-i-Haq Piracha:** Will the Honourable Member for Railways please state:

(a) if it is a fact that a selection was recently held on the North Western Railway for the promotion of senior subordinates as Sub-Store-Keepers;

(b) if it is a fact that some men out of the selected list have already been promoted as Sub-Store-Keeper;

(c) if it is a fact that it is now proposed by the Administration to cancel the selected list;

(d) if the reply to (c) is in the affirmative, the reason why the selection is proposed to be cancelled, and what is proposed to be done with regard to the remaining selected men who have not yet been promoted; and

(e) if the reply to (c) is in the affirmative, whether persons already promoted from the list of selected candidates to the post of Sub-Store-Keepers will be reverted; if not, why not?

The Honourable Sir Edward Benthall: (a) Yes.

(b) Presumably a selection held in February, 1943, is meant; if so the reply is in the affirmative.

(c) The list made in February, 1943, was cancelled.

(d) The list was cancelled, as it appeared that there had been a diversity in the standards adopted; the men who were in the original list have again secured places in the revised list framed in December, 1943, and they will obtain promotion in their turn.

(e) No, because they have so far proved satisfactory in the posts they now hold.

STAFF PROMOTED TO LOWER GAZETTED SERVICE IN RAILWAY CLEARING ACCOUNTS OFFICE

†555. ***Khan Bahadur Shaikh Fazl-i-Haq Piracha:** Will the Honourable Member for Railways please state:

(a) the number of clerks dealing with promotions, transfers and leave, etc., in the Establishment and other Sections of the Railway Clearing Accounts Office, and the number of Muslims among them;

(b) the number of men, community-wise, promoted to the Lower Gazetted Service during the last two years; and

(c) the reasons for not observing communal percentage in the appointments made for the Rationing Scheme and coupon selling purposes in the Delhi Division, North Western Railway?

The Honourable Sir Edward Benthall: (a) The number of clerks dealing with establishment and allied work is 61 out of which 13 are Muslims.

(b) 5 men (of whom one has reverted) were promoted to the Lower Gazetted Service in the last two years. They were all Hindus.

(c) Presumably appointments filled by direct recruitment are referred to. In spite of the best efforts it was not found possible to recruit Muslims to the required number.

†Answer to this question laid on the table, the questioner being absent.

(b) Is he aware that bands of desperate characters consisting of 25 or 30 persons whose ring-leaders are Amir Abdulla Khan Pathan of village Mochh, Mianwali District, Rabnawaz Khan Pathan of Mianwali, Ghulam Mohammad Darkhar of village Piplan, Mianwali District, get into trains without tickets armed with fatal weapons, and rob and assault the Railway passengers where the Railway Police and Railway staff are helpless?

(c) Is the Honourable Member aware that several cases of assault and looting have taken place during the last three months? Does the Honourable Member propose to take effective steps immediately to restore law and order in the trains?

The Honourable Sir Edward Benthall: The question should have been addressed to my Honourable colleague, the Home Member, who will reply to it on a later date.

INSTRUCTING OFFICERS AT METEOROLOGICAL TRAINING CENTRES.

†565. **Khan Bahadur Shaikh Fazl-i-Haq Piracha:** Will the Secretary for Posts and Air be pleased to state:

- the names and designations of officers giving instructions to Assistant Meteorologists and other officers at the various Meteorological training centres;
- the period of stay of various officers at every training centre; and
- the total number of officers, Meteorologists, Assistant Meteorologists and other Professional Assistants and Meteorological Assistants supplied to the Defence Department, and the number of Muslims under each head?

Sir Gurunath Bewoor: (a) I lay on the table a statement showing the names and designations of the Instructors as on the 1st March, 1944.

(b) No definite period is fixed and Instructors are changed from time to time according to administrative convenience.

(c) The number of officers supplied to the Defence Services from the Meteorological Department cannot be disclosed for security reasons. The percentage of Muslims to the total number in each category is as follows:—

Meteorologists	Nil
Assistant Meteorologists	6
Professional Assistants	33.3
Meteorological Assistants	28.6

Statement.
At Poona.

Officer-in-Charge—

Mr. A. K. Roy, Meteorologist.

Instructors—

Mr. K. Parthasarathy, Assistant Meteorologist.
Mr. T. G. Dhaole, Meteorological Assistant.
Mr. P. P. Joshi, Meteorological Assistant.
Mr. V. Kalyanasundaram, Meteorological Assistant.
Mr. G. S. Mande, Assistant.

At New Delhi.

Officer-in-Charge—

Dr. A. K. Das, Meteorologist.

Instructors—

Mr. K. L. Bhatia, Meteorological Assistant.
Mr. Laxmi Narain, Senior Observer.

At Karachi.

Officer-in-Charge—

Dr. S. N. Sen, Superintending Meteorologist.
Dr. H. R. Puri, Meteorologist.
Dr. S. N. Roy Choudhury, Assistant Meteorologist.
Mr. V. Ganesan, Assistant Meteorologist.
Mr. P. G. N. Nayar, Assistant Meteorologist.
Mr. N. C. Rai Sircar, Assistant Meteorologist.
Mr. R. V. Badami, Assistant Meteorologist.
Mr. S. P. Sircar, Assistant Meteorologist.

†Answer to this question laid on the table the questioner being absent.

OBSERVANCE OF COMMUNAL HOLIDAYS IN SUPPLY DEPARTMENT.

566. ***Mr. Ananga Mohan Dam:** Will the Honourable Member for Supply please state if it is a fact that almost all members of the Muslim community have invariably been granted leave on Muslim communal holidays, while only 40 per cent. or even less of the Hindu ministerial staff have been granted leave on Hindu communal holidays?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: No Sir. In fact every endeavour is made to give the members of different communities their communal holidays, but as offices are not closed on communal holidays some staff has to be present to deal with urgent work. When a section is staffed wholly or predominantly by members of one community, the retention of a few members of that community to do urgent work on the communal holidays cannot be avoided.

Mr. Ananga Mohan Dam: Has the attention of the Government been drawn to an article published in the *Mahratta*, dated the 2nd April, 1943, about the discriminatory treatment meted out to officers.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I understood that that part of the question was disallowed by you, Sir.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot put that question.

Seth Yusuf Abdool Haroon: Is it a fact that the Muslim employees were not allowed *Id-uz-Zuha* holiday?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: It is not a fact. I have just verified all these things. As I already said, when a section is staffed wholly or predominantly by members of one community, in such case some of the staff has to be retained for urgent work even on a communal holiday. But the rule is generally observed to release as many of the members who are entitled to that communal holiday.

Mr. H. A. Sathar H. Essak Sait: Is the Honourable Member aware that *Id-uz-Zuha* is a public holiday and not a communal holiday?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: I must apologise. If it is a public holiday, the Honourable Member may take it that the staff, certainly of Muslims, are entitled to a full holiday.

IMPORT AND MANUFACTURE OF AMMONIUM SULPHATE.

567. ***Mr. T. T. Krishnamachari:** Will the Honourable Member for Supply please state:

(a) whether Government intend, as a war measure and in order to implement the suggestions of the Gregory Food Committee, to make available in India annually, as suggested by the Gregory Committee, a quantity of 350,000 tons of ammonium sulphate;

(b) if the answer to (a) is in the affirmative, what steps have been taken by Government to facilitate the import of ammonium sulphate in the country, and through what channels;

(c) whether Government contemplate setting up of plants for the manufacture of ammonium sulphate in this country, in collaboration with the interests interested in the chemical industry;

(d) whether it is a fact that Grady Mission had suggested in 1942 to their Government to facilitate import into India of plants for large scale manufacture of ammonium sulphate;

(e) if the answer to (d) above is in the affirmative, what steps the Government of India have taken to follow up this suggestion of the Grady Mission; and

(f) whether the Chemical Fertilizers Committee, which met some time in October, 1943, had anything to say in this matter; and if so, what their recommendations were?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) It is the intention of Government to provide 350,000 tons of ammonium sulphate or equivalent quantity of nitrogenous fertilisers per annum as early as is practicable.

HOLIDAY FOR SHAB-I-BARAT NOT GRANTED TO MUSLIMS ON BENGAL AND ASSAM RAILWAY

†556. *Khan Bahadur Shaikh Fazl-i-Haq Piracha: Will the Honourable Member for Railways please state:

(a) if it is a fact that the Muslim staff of the Bengal and Assam Railway Accounts Department applied for holiday on the occasion of the last *Shab-i-Barat*, an important Muslim festival, but were refused holiday by the Deputy General Manager on the ground that the Bengal Chamber of Commerce, a non-Muslim Body did not observe holiday on that festival;

(b) if it is a fact that the Muslim Chamber of Commerce, in spite of the request of the Muslim staff, was not consulted; if so, under what circumstances a non-Muslim body was considered more authoritative for a Muslim festival than a Muslim body; and

(c) what action the Honourable Member proposes to take in the matter to console the injured religious feelings of the Muslim community, and to allow the Muslim staff a holiday on the occasion of *Shab-i-Barat* in the future?

The Honourable Sir Edward Benthall: (a) Yes.

(b) The reply to the first part is in the affirmative; it has been the practice to ascertain from the Bengal Chamber of Commerce whether commercial houses are ordinarily open to such festivals.

(c) I am informed that neither the Bengal Government nor the other two Railways closed their offices on the day in question and cannot, therefore, admit that the action of the B. & A. Railway has legitimately injured anyone's feelings. Persons who could be spared could have obtained casual leave for the day. I cannot undertake that a holiday will be granted for *Shab-i-Barat* in future.

SCHEDULED CASTES STAFF OF SUPPLY DEPARTMENT

†557. *Mr. Piare Lal Kureel: (a) Will the Honourable the Supply Member please state the communal representation including that of the Scheduled Castes in the Gazetted and Non-Gazetted Staff of the Supply Department?

(b) Are Government satisfied with the present representation of the Scheduled Castes in the Supply Department? If not, what practical steps do they propose to take in order to secure their due representation in the said Department?

(c) Do Government propose to reduce the educational qualifications for the above Gazetted and Non-Gazetted posts, in the case of the Scheduled Castes? If not, why not?

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar: (a) The information asked for by the Honourable Member is being collected and will be laid on the table of the House in due course.

(b) No. The attention of the heads of Departments and of Selection Committees has been drawn to the recent Government order on the subject and it is hoped that applicants from the scheduled castes will be selected in larger numbers.

(c) No.

RESTRICTIONS ON ENTRY INTO QUETTA

558. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Foreign Secretary please state if it is a fact that entry in the City of Quetta is prohibited without special permits? If so, from what date?

(b) Is it a fact that even the *bona fide* residents of Baluchistan are also not allowed to enter Quetta without such permits?

(c) Is it a fact that, in Baluchistan, Quetta is the only City which supplies the necessities of life to the province and where medical aid is available for the inhabitants?

(d) Is it a fact that these restrictions on entry in Quetta are causing great hardship on the residents of Baluchistan and are adversely affecting the trade of the place?

†Answer to this question laid on the table, the questioner being absent.

(e) In view of these hardships, have Government considered the advisability of relaxing these restrictions at least in favour of Baluchies, the residents of Baluchistan?

Sir Olaf Caroe: (a) Yes, from the 27th March, 1943, under the Quetta (Control of Ingress) Order, 1943.

(b) No. Permanent residents can obtain a certificate of identity, exempting them from obtaining an entry permit. Moreover, migratory tribesmen, whether Baluch, Brahui or Pathan, are exempt from the operation of the order.

(c) No.

(d) No.

(e) The Supply position is still difficult, and it is not proposed to relax these restrictions at present.

Mr. Lalchand Navalrai: With regard to part (a) of the question, may I ask who is giving those permits? Those persons who go to Quetta, do they get their permits in Quetta itself or have they got to secure them at the place they left?

Sir Olaf Caroe: They secure them in Quetta.

Mr. Muhammad Nauman: With reference to part (b) of the question, what is the cost of securing such permits? Is there any fee charged for them?

Sir Olaf Caroe: I must ask for notice. I know there is a small fee for the certificates of identity but I am not sure about the permits and I must ask for notice.

Mr. Muhammad Nauman: This arises out of the original question, whether there is hardship or not and so the question of fees also arises automatically?

Sir Olaf Caroe: I have not got with me the actual fee list whether there is fee for special permits or not.

Sir Muhammad Yamin Khan: May I know where these people have to wait before they get the permits for entry into Quetta? What are the facilities for these people to stay?

Sir Olaf Caroe: They have to obtain a permit from the Political Agent. This rule is in operation for the past one year and everybody knows this. It is also widely advertised that, except in the case of the indigenous population, permits have to be obtained.

Sir Muhammad Yamin Khan: My question was this. Supposing a man had reached Quetta station. Is he then to apply for permit? If so, up to the time he receives the permit, where has he got to stay?

Sir Olaf Caroe: I do not understand the Honourable Member's question. Does the Honourable Member mean that the man is already in Quetta and he wants to leave Quetta and get back again to Quetta? Or does he mean that the man wants to enter Baluchistan for the first time?

Sir Muhammad Yamin Khan: If an individual wants to go for the first time to Quetta, before he obtains this permit from the Political Agent, where is he to stay on?

Sir Olaf Caroe: Supposing the man is in Lahore, presumably he would remain in Lahore until he gets his permit.

Sir Muhammad Yamin Khan: Does it mean that the man cannot even enter Quetta railway station?

Sir Olaf Caroe: The man would write and ask for permit before he leaves his place of residence.

Mr. Lalchand Navalrai: May I know whether it will not be feasible that the District Magistrate of the place from which the man may go be authorised to issue permits?

Sir Olaf Caroe: No, Sir, because the District Magistrate of the place where from the man wants to go, for instance a place like Lahore, will not be in a position to say how many permits can properly be given having regard to the supply position and the fullness of Quetta and so on and so forth.

Mr. H. A. Sathar H. Essak Sait: Is it possible that if a person wishes to go to Quetta, railway tickets will not be issued to him unless he produces a permit?

Sir Olaf Caroe: I do not know. I want notice.

Mr. H. A. Sathar H. Essak Sait: Do I understand the Honourable Member to say in reply to part (b) that permanent residents get permits enabling them to go without these passes?

Sir Olaf Caroe: Permanent residents are exempt from having permits. The object is to prevent the population of Quetta from being enormously swollen by people wishing to go there on a holiday or for some other purpose at the end of a long railway leading to a deficit supply area.

BAN ON IMPORT OF LEATHER, ETC., TO PISHIN DISTRICT.

559. *Seth Yusuf Abdoola Haroon (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Will the Foreign Secretary please state if it is a fact that import of leather, articles of leather, tea, cloth, etc., has been recently prohibited in the districts of Pishin, and parts of Chagai, for sometime past? If so, since when?

(b) Is it a fact that the alleged reason for the prohibition is that the things may not go over to Afghanistan or Persia?

(c) Is it a fact that the main source for the maintenance of the residents of these areas was trade in these articles, and that they are suffering very badly from this prohibition?

(d) In view of the great hardship caused to the residents of these parts by these restrictions, have Government considered the advisability of relaxing these restrictions, and making proper arrangement at the frontiers of Afghanistan and Persia for stopping the export of these articles to those areas?

Sir Olaf Caroe: This question will be answered by my Honourable friend, the Commerce Member.

COMMITTEE OF SELECTION FOR RECRUITMENT ON BENGAL AND ASSAM RAILWAY

560. *Mr. Muhammad Nauman: (a) Will the Honourable Member for Railways be pleased to state if there is any programme in the contemplation of the administrative authorities of the Bengal and Assam Railway for setting up a Committee of Selection for recruitment?

(b) What is the probable number of this Committee expected to be, and is the Bengal and Assam Administration being asked to receive the approval of the Railway Board before nominating officers to serve on the Committee?

(c) What is the quota of appointments for the Muslim community on the Bengal and Assam Railway, and what safeguards do Government propose to make for its observance by any Committee of Selection?

The Honourable Sir Edward Benthall: (a) No.

(b) Does not arise.

(c) 45 per cent. on the E. B. Section and 35 per cent. on the A. B. Section; these will shortly be combined. The second part does not arise.

Mr. Muhammad Nauman: May I know what steps have been taken by the Railway Board to see that the quotas fixed are rightly worked?

The Honourable Sir Edward Benthall: The situation is being watched regularly.

Mr. Muhammad Nauman: Does the Railway Board get monthly report of recruitment?

The Honourable Sir Edward Benthall: I do not know whether they get a monthly report; but they get frequent reports of what is going on there. If I may say so, the Honourable Member's frequent questions more than help to elucidate the position.

Dr. Sir Zia Uddin Ahmad: Is there any officer of the Railway Board watching the working of these quotas?

The Honourable Sir Edward Benthall: Yes, Sir.

Mr. Muhammad Nauman: Is there any Muslim officer?

The Honourable Sir Edward Benthall: Yes, Sir.

(b) How many persons were recruited in this Department during 1942 and 1943, and were those vacancies advertised?

(c) If the reply to (b) is in the affirmative, what was the number of applications from Muslims in response to such advertisements, and what was the number of those who were interviewed, and with what results?

(d) What was the composition of the Selection Committee for this purpose, how many appointments were made from the departments other than this, and what was the method adopted for doing so?

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

APPOINTMENTS MADE IN THE STORE DEPARTMENT, BENGAL AND ASSAM RAILWAY.

562. *Mr. Muhammad Nauman: (a) Will the Honourable Member for Railways be pleased to state the total number of appointments made, temporary or permanent cadre, in the Store Department of the Bengal and Assam Railway during the present financial year (i.e., between the 1st April, 1943, and the 29th February, 1944) and the Communal Composition of such appointments?

(b) What was the method adopted for recruitment, and what is the number of persons taken from the same Department or the other Departments on the same Railway, and what is the number of persons recruited directly from outside?

(c) Were suitable Muslims allowed to appear before any Selection Board, what was the number of those who were granted interviews during the year, and how many of those Muslims were considered fit?

(d) What was the total number of applications received in response to advertisements, and what was the number of applications from Muslims?

(e) What was the composition of the Selection Committees set up for recruitment for the requirements of the Store Department and did any Muslim officer sit on such Committees?

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

GRIEVANCES OF TEMPORARY CLERKS IN THE GENERAL POST OFFICE, DELHI.

563. *Seth Yusuf Abdoola Haroon (on behalf of **Qazi Muhammad Ahmad Kazmi**): (a) Will the Honourable the Secretary for Posts and Air Department please state with reference to the answer to question No. 896 regarding grievances of temporary clerks in the General Post Office, Delhi, which was replied to on the 29th March, 1943, if it is a fact that the posts occupied by the temporary clerks in Delhi were created in 1937 long before the present war?

(b) Is it a fact that these clerks were engaged as season clerks but as a matter of fact they have ever since then been working continuously in posts and telegraphs offices?

(c) Is it a fact that these clerks have been carrying on their duties as efficiently as persons who entered the department as qualified clerks and the duties of these persons have been interchangeable and are interchangeable even now? If not, what are the real facts?

Sir Gurunath Bewoor: (a) Nine of the posts referred to were created in 1937.

(b) Only six of these temporary clerks are working at present. Three of them were appointed in 1937 as season clerks and have since been continuing either as season clerks or as temporary clerks. The other three were appointed in 1939 and have since been continuing as temporary clerks.

(c) The reply to the first part is in the affirmative, the latter part does not arise.

INSECURITY IN CERTAIN TRAINS ON NORTH WESTERN RAILWAY.

564. *Sardar Sant Singh: (a) Will the Honourable Member for Railways please state if the Railway Board has been informed of the conditions of insecurity that prevail in some trains of the North Western Railway near about Kundian Railway Station?

+Answer to this question laid on the table, the questioner being absent.

(b) The Government have arranged to import through commercial channels about 42,000 tons of ammonium sulphate from North America and the United Kingdom during 1944.

(c) Yes.

(d) No.

(e) Does not arise.

(f) A copy of the proceedings of the committee and its recommendations are laid on the table of the House.

Proceedings of the Conference held in Jaisalmer House on the 29th and 30th September, 1943, to consider the production in India of Ammonium Sulphate.

As announced in the press a meeting of representatives of Industrialists who are interested in setting up sulphate of ammonia plants in this country and also of representatives of different Government Departments concerned was held at 11 A.M. on 29th September, 1943, under the Chairmanship of the Honourable Member, in the Committee Room of the Jaisalmer House.

A list of those who attended the Conference is given in Appendix "A".

The Honourable Member made some remarks on the fertilizer (especially ammonium sulphate) position in this country and then called upon Sir P. M. Khareghat to put before the Conference his views on the subject. After Sir P. M. Khareghat had made his remarks, the representatives of the various interests were called upon by the Honourable Member to state their views. There was then some discussion on the various issues regarding the production of ammonium sulphate and in this discussion representatives of the Government departments as well as representatives of the various firms took part.

After considering the points brought out in the Conference the Honourable Member appointed a Committee under the chairmanship of Sir P. M. Khareghat consisting of the following members:

Sir P. M. Khareghat, Mr. Kapilram Vakil, Mr. Davis, Mr. Gilmore, Lala Shankar Lal, Mr. Saran, Mr. Parker, and representatives of the Commerce Department, Education, Health and Lands Department, Industries and Civil Supplies Department, Food Department, Supply Development Committee, C. G. I., as well as Dr. L. A. Bhatt and Dr. M. S. Patel of the Directorate General of Supply.

The terms of reference for the Committee were as follows:

(i) What can be done within the next two years to produce chemical fertilizers, in particular, ammonium sulphate;

(ii) The Committee should consider the resources for the short-term policy and state what help Government should give by way of importation of plant and machinery to bring this industry into existence for producing ammonium sulphate. The Committee should also consider the production of ammonium chloride and how much could be produced in the light of the observations made by Mr. Kapilram Vakil and also to examine technically the suitability of this fertilizer.

(iii) The Committee should also examine the question of what technical assistance is at the disposal of those who are in a position to start this industry or think they are in a position to establish this industry. The question regarding the import of technical experts or sending from this country qualified men to foreign countries for obtaining technical information regarding the plants, etc., should be gone into. What survey should be made in this country of a more detailed character to find out the extent and the quality of available raw materials like gypsum, etc.

(iv) The Committee should also record its views as to what part Government should take in the establishment of this industry. Whether Government should be the sole, i.e., exclusive owners of the industry or should they assist the industry in other ways.

(v) The Committee should report on the general process which should be adopted for the short-term policy for the production of ammonium sulphate and other similar fertilizers. The Committee should also report on the suitability of the area where the industry should be set up taking into consideration the available raw materials as well as the supply of electrical energy. It should examine other technical matters concerning the establishment of the industry.

The Committee were asked to submit their report to the Honourable Member by 1 P.M. on 30th September, 1943. The Conference was adjourned until 2.30 P.M. on the 30th.

The Committee met from 2.30 to 6 P.M. on 29th and from 10 A.M. to 12.45 P.M. on 30th September, 1943, and submitted its report to the Honourable Member at about 1.30 P.M. on the 30th.

The adjourned meeting of the Conference which was fixed at 2.30 P.M. was postponed until 3 P.M. Copies of the report were placed before the members at 2.30 P.M. in order to enable them to go through it. The Honourable Member opened the adjourned meeting of the Conference at 3 P.M. He stated that the members had time to read the Committee's report and would like the members of the Conference to express their views on it. Several points were discussed in detail by Lala Shankar Lal, Mr. Tattersall, Mr. Davis, Mr. Gilmore, Dr. Bhatt and others. After these discussions the report was accepted by the Conference with some slight modifications. A copy of the report as accepted by the Conference is attached herewith. (See Appendix C).

(List of those who attended the Conference is given in Appendix "B").

In concluding the Conference the Honourable Member made the following observations:

"I think we might now conclude this Conference. This report is very valuable and the departments concerned will consider the report and the whole matter will be considered by Government at as early a stage as possible. It has brought out the problem much more early than it was envisaged at the start—and I think both industrialists and Government are more alive to the requirements of the case than they were before the conference started. Even as a short range problem there are several hurdles to be crossed and these hurdles have been brought to the notice in this report.

I think the first thing to see is the availability of gypsum in the country and turn the Geological Department on to a survey of the quantity available in this country. I am not quite sure whether Dr. Fox has not got some kind of report available, because for the last 2½ years at least he has been at this question and special geological parties have gone to Trichinopoly and other places to find the deposits of gypsum. It is possible they may have the report ready and we can ask them to furnish more particulars about it.

Then a survey has to be made about electric power and as to where this can be easily spared under the present war conditions. Then, we have to consider the question of which is the best area where an industry can be set up and, what are the facilities which the industry should have. Above all, we have to see which country is willing to export the plant, and machinery required for this purpose. Our Allies are willing to help us in a great many directions. I am not blaming anybody but in my short experience as a Supply Member I have found that the countries most willing to help us are just unable to do so, somehow or other, and therefore we should not be too much disappointed if after all this inquiry and all this attempt to get things going, we find that owing to the exigencies of war plant and machinery may not be available. I say this because I do not want to create too much hopes in anybody that it is going to be an easy matter. The most difficult problem is going to be in connection with obtaining the plant and machinery. Other things are to my mind not so difficult. The question of what facilities Government can give, whether the whole thing should be a Government concern in view of the importance of this industry or whether it should be run on ordinary commercial lines with a certain amount of Government control and direction the example of what is being done in Mysore is before us these are comparatively minor matters. The most important thing is the availability of plant at any price and the securing of them from countries where they may be available.

In any case, we shall go through all these stages quickly and the stage may come, after the preliminaries have been settled, when the individual industrialists who have expressed a desire to participate in this may be invited to a full discussion of this subject. Nothing more remains now for me to do except to thank you.

The Conference then terminated.

APPENDIX A.

List of the persons who attended the Conference on Ammonium Sulphate on 29th September, 1943, held in the Committee Room at the Jaisalmer House.

(i) REPRESENTATIVES OF GOVERNMENT DEPARTMENTS.

1. The Honourable Member for the Supply Department.
2. Mr. A. A. Waugh, Secretary to the Supply Department.
3. Mr. W. R. Target.
4. Sir P. M. Khareghat.
5. Mr. Aftab Rai.
6. Brdg. Wolf.
7. Major Taylor.
8. Mr. R. P. Mathur.
9. Mr. Hasnie.
10. Dr. Bhatt.
11. Mr. Elwin.
12. Mr. Basu.
13. Mr. Zaman.
14. Mr. R. C. Symons.
15. Mr. Tattersall.
16. Mr. Maini.
17. Publicity Officer Mr. Naidu.
18. Dr. M. S. Patel.

(ii) REPRESENTATIVES OF THE VARIOUS FIRMS.

- | | |
|--|---------------------------|
| 1. M/s. Birla Bros | Mr. Gilmore & Mr. Stolba. |
| 2. " Dalmia Cement & Paper Marketing Co. Ltd. | Mr. J. M. Gupta. |
| 3. " Bhadani Brothers, Calcutta | Mr. Jogeshwar Pershad. |
| 4. " Delhi Cloth Mills Ltd. | Lala Shankar Lal. |
| 5. " D. Weldi & Co. | Mr. F. F. McIntyre. |
| 6. " Imperial Chemical Industries (India) Ltd. | Mr. T. Parker. |
| 7. " Kantawala Nanawati Ltd. | Mr. B. M. Trivedi. |
| 8. " Karam Chand Prem Chand Ltd., Ahmedabad | Mr. P. H. Krishna. |
| 9. " Karam Chand Thapar & Bros. | Mr. Malak Ram. |
| 10. " G. K. Khemka | Mr. Ram Lal Gupta. |
| 11. " Kilachand Devchand | Mr. Jeewan Lal. |

12. M/s. Mettur Chemical & Industrial Corporation Ltd.	Mr. C. V. Gopal Rao & Mr. A. C. K. Krishnaswami.
13. " Modi Soap Works	Mr. J. M. Saran.
14. " Parry & Co. Ltd.	Mr. S. G. Davis.
15. " Scindia Chemical Development Corporation, New Delhi.	Mr. N. K. Chopra.
16. " Sepulchre & Co. Ltd.	Mr. D. N. Chand.
17. " Shimbhaoli Sugar Mills Ltd.	Mr. K. S. Pesriech.
18. " Tata Chemicals	Mr. Kapilram Vakil.
19. " Hyderabad Chemical Fertilizers, Hyderabad	Mr. A. Balunathan.

APPENDIX B.

List of the persons who attended the Conference on Ammonium Sulphate on 30th September, 1943, held at 3 P.M. in the Committee Room at the Jaisalmer House.

(i) REPRESENTATIVES OF GOVERNMENT DEPARTMENTS.

1. The Honourable Member for the Supply Department.
2. Sir P. M. Khareghat.
3. Mr. Aftab Rai.
4. Brgd. Wolf.
5. Major Taylor.
6. Mr. R. P. Mathur.
7. Mr. Hasnie.
8. Dr. Bhatt.
9. Mr. Elwin.
10. Mr. Basu.
11. Mr. Krishnamoorthy.
12. Mr. R. C. Symons.
13. Mr. Tattersall.
14. Mr. Maini.
15. Publicity Officer Mr. Naidu.
16. Dr. M. S. Patel.

(ii) REPRESENTATIVES OF THE VARIOUS FIRMS.

1. M/s. Birla Bros.	Mr. Gilmore & Mr. Stolba.
2. " Dalmia Cement & Paper Marketing Co. Ltd.	Mr. J. M. Gupta.
3. " Bhadani Brothers, Calcutta	Mr. Jageshwar Pershad.
4. " Delhi Cloth Mills Ltd.	Lala Shanker Lal.
5. " D. Weldi & Co.	Mr. F. F. McIntyre.
6. " Imperial Chemical Industries (India) Ltd.	Mr. T. Parker.
7. " Kantawala Nanawati Ltd.	Mr. B. M. Trivedi.
8. " Karam Chand Prem Chand Ltd., Ahmedabad.	Mr. P. H. Krishna.
9. " Karam Chand Thapar & Bros.	Mr. Malak Ram.
10. " G. K. Khemka,	Mr. Ram Lal Gupta.
11. " Kilachand Devchand	Mr. Jeewan Lal.
12. " Mettur Chemical & Industrial Corporation Ltd.	Mr. C. V. Gopal Rao & Mr. A. C. K. Krishnaswami.
13. " Modi Soap Works.	Mr. J. M. Saran.
14. " Parry & Co. Ltd.	Mr. S. G. Davis.
15. " Scindia Chemical Development Corporation, New Delhi.	
16. " Sepulchre & Co., Ltd.	Mr. N. K. Chopra.
17. " Shimbhaoli Sugar Mills Ltd.	Mr. D. N. Chand.
18. " Tata Chemical	Mr. K. S. Pesriech.
19. " Hyderabad Chemical Fertilizers, Hyderabad	Mr. Kapilram Vakil.
20. " Ganesh Flour Mills.	Mr. A. Balunathan.
21. "	Mr. Kirpa Narain.
	Mr. Amjad Ali.

APPENDIX C.

Report on the steps to be taken for the production of an adequate quantity of fertilisers, especially Ammonium Sulphate, in India of the Committee appointed by the Fertilisers Conference held under the Chairmanship of the Honourable the Supply Member was adopted by the Conference on 30th September, 1943.

Introduction.

1.1. The Committee first looked into the question of the need for artificial fertilisers in India. It realised that the yield per acre of most crops was very low and that it would be considerably increased in many cases if proper fertilisers and adequate water could be supplied. At the present time, there is an acute shortage of food in the country and it is essential to take steps to increase food production immediately. Hence it is a matter of great urgency to obtain the necessary fertilisers.

1.2. The quantity of ammonium sulphate consumed in India before 1939, was of the order of 100,000 tons a year. But it was understood that it would not be difficult to increase the use of fertilisers rapidly to 500,000 tons provided prices of food grains remain at a

reasonable level; even a goal of a million tons was not too high. A small country like Egypt consumed half a million tons a year. The Food Grains Policy Committee has suggested the provision of 350,000 tons a year, to reduce our dependence, on imports of rice from abroad. It was considered safest to aim at providing at least this quantity within two years. This would also serve as an insurance against famine.

1.3. It would clearly not be possible to import such a large quantity owing to shipping difficulties. Both for this reason and for others it was essential to set up plants in this country for the manufacture of fertilisers and supply it at comparatively cheap rates for increased food production. The demand on shipping space for importing such plants would not be great.

1.4. The possibility of utilising farm and town waste was also discussed. It was stated that steps had already been taken to train chemists in the use of the hot fermentation process for making manure out of town waste and it was hoped to have a few million tons of such waste converted into manure in two years. But this manure could not be easily transported and could only be used near towns. The provision of this manure would be additional to the use of artificial fertilisers and would not in any way decrease the need for the latter.

1.5. The Committee consider that in the circumstances, immediate steps should be taken to set up plants in India for the manufacture of ammonium sulphate to the tune of 350,000 tons and these plants should start production in 'about two years' time.

Capacity of existing plant.

2.1. The Committee next considered the present and potential capacity of the existing plant for the production of ammonium sulphate.

2.2. It appears that Mysore produces about 6,000 tons per year and there is a proposal for doubling the plant and producing 12,000 tons. This proposal is under consideration in the Supply Department. It is understood that the whole of the additional ammonium sulphate produced will be available for use as fertiliser. Of the present production only about 2,000 tons are available for use as fertiliser.

2.3. Messrs. Tata Iron & Steel Co., Indian Iron & Steel Co., the Bararee Coke Works, Kusumda, Government Coke Ovens, Giridih, and the Coke Ovens at Bhowra are between them producing about 20,000 tons of ammonium sulphate. One coke oven battery, however, is not working at present and the potential capacity of these plants is 28,000 tons. The reason for not working the battery is that there is no outlet for the additional coke that may be produced. The question of utilising the coke for other purposes was considered but it was felt that the hard coke that is produced is unsuitable for household use. It was, therefore, not considered feasible to increase the production of ammonium sulphate appreciably at the coke ovens under existing conditions. Of the present production only about half is available for use as fertiliser.

2.4. Mr. Kapilram Vakil stated that Tatas have a proposal for the production of 40,000 tons a year of ammonium chloride if a suitable new plant is put up for the production of ammonia. He anticipated that ammonium chloride could be supplied at 90 per cent. below the present price of ammonium sulphate, taking into consideration, the nitrogen content of the chemicals. The percentage of nitrogen in ammonium chloride is about 26 per cent. and that in ammonium sulphate is about 20.6 per cent.

2.5. It thus appears that the maximum capacity of the existing plants for the production of ammonium sulphate is only of the order of 34,000 tons a year, which can be increased to 40,000 tons when the Mysore plant is doubled, provided the coke ovens can be worked to their maximum capacity. It is clear that if the demand for fertilisers in this country is to be met, the greater part of the necessary plant will have to be imported and the rest made in this country. Plans and designs should, where so desired by the industrialists concerned, be obtained from abroad.

Raw Materials.

3.1. The principal raw materials for the manufacture of sulphate of ammonia from the point of view of what is likely to be available in India are gypsum and coke or other carbonaceous fuel.

3.2.1. As regards gypsum, it was reckoned that some 500,000 tons would be required a year in order to produce 350,000 tons of ammonium sulphate. Some doubt was expressed as to whether such a large quantity of gypsum would be available for a long enough time, but the Committee was informed that Dr. Sir C. S. Fox, the present Mineral Adviser to the Government of India, had expressed the opinion that there was an adequate supply of gypsum in the country. The Committee decided to accept that as a working basis.

3.2.2. A further point was raised as to whether the gypsum available would be of suitable quality. After some discussion, it was agreed that as far as could be foreseen at present, the usual impurities of silica alumina and calcium carbonate would not present serious difficulties.

3.2.3. The Committee recommend that while schemes for putting up the necessary plant must be proceeded with, enquiries should at the same time be made as soon as possible to definitely ascertain how much gypsum and what reserves thereof are available in different areas and what its quality is. This enquiry should be completed if possible in three months as no orders for plant can be placed until this enquiry is completed.

3.3. As regards coke, it was pointed out that 22,000 tons of coke would be required for the production of 50,000 tons of ammonium sulphate. The five existing plants in Bihar have between them a surplus capacity of half a million tons a year, so there is likely to be no

shortage of coke; on the contrary, the present capacity of the coke ovens is considerably more than the requirements in the near future.

3.4. The possibility of using coke oven gas should be investigated at once as a source of hydrogen. It may be available at Giridih, Bhowra and Kusuma.

New Plants.

4.1. The Committee next considered the various proposals for putting up new plants for the production of ammonium sulphate.

4.2. Mr. Davis of Messrs. Parry & Co., Ltd., mentioned that they, on behalf of the Raja of Venkatagiri, were contemplating to put up a plant of 20,000 tons for the manufacture of ammonium sulphate from gypsum at a place, some 80 miles north of Madras. They propose to use charcoal and not coke for the production of blue water gas as a source of hydrogen and nitrogen. They are prepared to double this plant if adequate gypsum is available.

4.3. Mr. Gilmore, on behalf of Messrs. Birla Bros., Ltd., said that they were making enquiries to find out whether gypsum would be available in sufficient quantities in Rajputana and in the north of the United Provinces, with a view to set up a plant producing 36,000 tons of ammonium sulphate a year. If the necessary quantity of gypsum is available, they will consider the feasibility of even doubling the plant.

4.4. Mr. Kapilram Vakil on behalf of Messrs. Tatas mentioned that their enquiry showed that a plant for the manufacture of ammonium sulphate by the complete Haber Bosch process should not be of less than 40 tons liquid ammonia equivalent to 160 tons of ammonium sulphate per day if it was to be an economic unit. They may be prepared to consider the setting up of one plant which would produce about 55,000 tons a year.

4.5. Mr. Shankarlal was of opinion that a plant of 400 tons a day should be regarded as an economic unit. His firm are prepared to go into the question of helping in the setting up of such a plant which would produce about 120,000 tons a year.

4.6. The representative of Mottur Chemicals stated that his firm, Messrs. Seshasayee Bros., Ltd., have already submitted proposals to Government to put up a plant for the production of 40,000 tons a year.

4.7. The representative of Modi Industries, Begamabad, expressed himself as willing to put up a plant for the production of 20,000 tons a year.

4.8. The representative of Messrs. Dalmia Cement and Paper Marketing Company said that they are willing to put up plant for producing 40,000 tons a year.

4.9. Messrs. Imperial Chemical Industries (India) Ltd., are investigating the production of sulphate of ammonia in India. No decision has yet been reached as they consider that it is essential that a complete survey should be made by technical staff before coming to a decision. They have, however, already undertaken to co-operate in full in starting the industry for making ammonium sulphate in India.

4.10. It will thus be seen that there are prospects of putting up plants for the production of 350,000 tons of ammonium sulphate. This would naturally be in addition to what is being produced at present.

4.11. The Committee considered the feasibility of setting up these plants in the immediate future. Mr. Kapilram Vakil stated that in similar cases the practice of Tatas was to place orders for different parts with different people and in this way they might be able to set up the plant in fifteen months. Mr. Davis said that his enquiries showed that it would take them twelve months to get the plant ordered from abroad ready for shipment from the date of placing the order and it would therefore be about two years before it would be in working order. It thus appeared that there was a reasonable probability of setting up the plant required in about two years, if all necessary facilities are given both in India and in other countries where most of the plant will have to be fabricated. It may be borne in mind that duplication (standardisation) of important parts of the plant where feasible would expedite supply.

Location.

5. The Committee considered that the question of location of the plant can only be determined after a close examination of the availability of raw materials, transport, power, local conditions and markets. Certain industrialists already have these investigations in hand.

Assistance to Industry.

6.1. The next point considered was the question of assistance which the industrialists would need to induce them to put the necessary plant. The difficulties in the way of rapid setting up of this large industry arise from uncertainties which can only be resolved with considerable Government assistance. Some system of substantial Government participation is therefore recommended. This might take various alternative forms and should be the subject of an immediate investigation.

6.2.1. Mr. Shankarlal pointed out that this was a national industry and suggested that a corporation should be set up on the lines of the Reserve Bank of India. Government should subscribe 51 per cent. of the shares and the public being asked to subscribe the remaining 49 per cent. A suitable minimum guarantee of interest should be given to the shareholders and the maximum rate of dividend may also be fixed. The management should be in the hands of a Board of Directors with a majority of non-official public men of repute. Government nominating only three Directors and a paid Managing Director should be appointed. In this way the industry would be under national control and would be utilised for furthering the interests of the country as a whole.

6.2.2. This proposal commended itself generally to the majority of the members. The Committee recommends that this suggestion should be seriously considered.

6.3. An alternative suggestion is that the prospective industrialists should themselves form a combine or corporation and all the plants should be set up under the auspices of this Corporation. Government should purchase a small proportion of the shares, say 5 per cent. and guarantee dividend at say 3 per cent. for a fixed period. The management of the Corporation would then be in the hands of the industrialists though one or two directors would have to be nominated by Government. This would secure the benefits of unified direction combined with Government help and guidance.

6.4. If, however, Government is not prepared for either of these proposals the different industrialists would have to put up plants of their own and the nature of the help they would need from the Government is as follows:—

(i) A complete geological survey should be carried out immediately to ascertain definitely the quality and quantity of gypsum available at various places where gypsum has been located in large quantities.

(ii) Government should arrange to give expert advice to industrialists or facilities for obtaining such advice when required relating to capital and recurring cost, cost of production and so on. This advice should be from persons who have designed and worked such plants.

(iii) Government should assist the industrialists in procuring the necessary plants and building materials as soon as possible and where necessary plant for generating power as well.

(iv) Government should give an assurance that steps will be taken to ensure that there is no cut-throat competition, particularly from outside India, so that the industrialists may be able to work on a reasonable basis of profit.

(v) Facilities should be given for cheap railway transport.

(vi) Government should guarantee the offtake of the entire production for a period of five years.

(vii) The question of the writing down of the capital cost should be considered by Government.

6.5. It was also made clear that the grant of such assistance from the Government would have to be conditional on the industrialists agreeing to the sale of ammonium sulphate at a reasonable price fixed by Government after consultation with the industry.

Expert advice.

7.1. The Committee agreed that it was necessary for qualified men from India to proceed to the United Kingdom or U. S. A. or other countries for consulting experts and specialists in these fields and planning production suitable to Indian conditions as well as studying the working of synthetic ammonia plants.

7.2. There was some difference of opinion as to whether experts should be brought out from abroad. The Committee on the whole felt that it might be desirable to do so, especially when setting up new plant. It should, however, be left to the industrialists concerned to determine as to who should be brought out and Government should arrange the necessary transport facilities.

Other fertilisers.

8.1. The feasibility of using ammonium nitrate instead of ammonium sulphate was also discussed. The advantage claimed for ammonium nitrate was that it would not be necessary to obtain gypsum for its manufacture. On the other hand, it was pointed out that ammonium nitrate is deliquescent and hence a large part of it would be lost. Moreover, some members pointed out that it is unsuitable for rice production. In the circumstances, it was considered that the question of ammonium nitrate need not be pursued at present; but further enquiries about its utilisation may be made by Agricultural Departments.

8.2. It was also stated that calcium nitrate was unsuitable for India and that it might be better to try and increase production of potassium nitrate instead. The price of potassium nitrate has gone up to Rs. 800 a ton which is on a basis of nitrogen content, equivalent to Rs. 1,200 a ton of ammonium sulphate, ignoring the potash value. It was felt that it was not economic to use it at such a high price. It was stated, however, that its production, if necessary, could be increased to 22,000 tons. It could be used for tea, potatoes and vegetables although it would not be a substitute for ammonium sulphate for rice production.

8.3. As regards ammonium chloride, it is recommended that further enquiries should be made by Agricultural Departments as regards its suitability for use as a fertiliser under Indian conditions.

Conclusion.

9. To sum up, the Committee considers that:—

(i) Plants for the production of 350,000 tons of ammonium sulphate should be set up so as to start working in about two years' time. This is considered feasible.

(ii) The existing resources for the production of ammonium sulphate are only between 30,000 to 40,000 tons and the country needs ten times that amount. It is best to concentrate at present on ammonium sulphate, though the possibility of using ammonium chloride should be explored.

(iii) Transit facilities should be given to industrialists for sending qualified persons abroad and obtaining expert advice from abroad when so required.

(iv) The location of the plants should be left to be decided by industrialists after due enquiry.

(c) No, but as in the past the grades from which promotion is made to these posts consisted mainly of Europeans and Anglo-Indians, these posts were also held mostly by them.

(d) The reply to the first part is in the negative. As regards the third part, a Training Course was held only in 1942 and 7 Hindus, 5 Muslims and 2 Sikhs were selected for such training; selection for training is, however, not made on communal considerations.

(e) Government do not propose to take any special action, as they do not consider it necessary.

CERTAIN DISABILITIES IN RAILWAY MAIL SERVICE.

144. Mr. Muhammad Azhar Ali: Is the Secretary of the Posts and Air Department aware of the following disabilities of the Railway Mail Service:

(i) extra duty every day in Mail Offices with an allowance of annas eight for the whole of eight hours against one day's pay in the combined offices and telegraph offices;

(ii) frequent card sorting examinations from the beginning of service to the retiring age for maintaining efficiency against no such examination at Bombay, Calcutta and Madras G. P. O. Sorting Offices;

(iii) extension of the beat of R. M. S. Sorting Sections and working hours of R. M. S. Offices specially of those working at night from six to twelve hours;

(iv) absence of holidays on Sundays and other festivals;

(v) no casual leave or privilege leave when needed except on production of a medical certificate;

(vi) greater amount of work on all Saturdays on account of the Post Office rule to stop business with the public earlier on that day;

(vii) no Outstation Allowance for first twelve hours and allowance of annas six for stays of over twelve hours against Rs. 3 for six hours to Inspectors of R. M. S. who also get accommodation in R. M. S. Rest Houses like sorters;

(viii) denial of the standard for higher Selection Grade against the recommendations of the Pasricha Committee which recommended one and the same standard for both Post Offices and R. M. S. and which are in actual operation in all the big Sorting Offices in Calcutta, Bombay and Madras;

(ix) long delay in the payment of dues of the staff;

(x) no Supervisors for Registration and Parcel Branches; and

(xi) very long and extensive jurisdiction for the Superintendent Railway Mail Service employing over 600 superior servants and 400 inferior servants as against two hundred superior servants and fifty or sixty inferior servants and also against those employed in a postal Superintendents Division?

Sir Gurnath Bewoor: (i) It is not a fact that every sorter in a mail office is required to perform extra duty every day. The question of the revision of extra duty allowance is under consideration.

(ii) All sorters are required to undergo card sorting examination in the interests of efficiency.

(iii) The working hours of the R. M. S. travelling sections are fixed on a weekly basis with due regard to the conditions of service. These hours are—a maximum of 36 hours per week for day sections, 30 hours per week for night sections, and 33 hours per week for sections working partly by day and partly by night, and they compare favourably with the hours of work prescribed in other branches of the Department.

(iv) The R. M. S. staff are granted reliefs on Sundays and on post office holidays as far as the exigencies of service permit.

(v) It is not a fact that casual leave or privilege leave is not granted except on production of a medical certificate.

(vi) It is not understood why greater amount of work on any one day of the week should be a matter of grievance.

(vii) The outstation allowance is an allowance granted to meet the extra expenditure of food incurred by the staff on meals taken outside their headquarters after the first twelve hours for which period the sorters are expected

to bring the necessary food from their homes. It is not in the nature of a daily allowance granted to touring officers because travelling by railway trains and performing sorting work while so travelling is one of the essential conditions of service of the R. M. S. for which they are paid their salaries.

(viii) Selection grade posts are sanctioned in all branches of the Department according to the importance of the charges and the nature of the duties and responsibilities of the post.

(ix) Government are not aware of any such delays.

(x) Supervisors are sanctioned where they are justified.

(xi) There are no R. M. S. Divisions employing over 600 superior servants and 400 inferior servants as alleged by the Honourable Member.

ALLEGED BAD WORKING OF THE M. AND M. SECTION, RAILWAY CLEARING ACCOUNTS OFFICE.

145. **Khan Bahadur Shaikh Fazl-i-Haq Piracha:** (a) Will the Honourable Member for Railways please state if it is a fact that when the facts about the bad working of the M. and M. Section came to the notice of the Deputy Director, Railway Clearing Accounts, he made arrangements for overhauling the work of that Section?

(b) Is it a fact that undercharges of about a crore of rupees were detected and a major portion of the undercharges has been admitted by the Military Department?

(c) Is it a fact that he has submitted a report about the work of that Section and has fixed responsibility for this bad working on the shoulders of certain officers?

(d) Is it a fact that the Director of Finance is not in favour of the Director, Railway Clearing Accounts Office forwarding the above report to higher authorities?

(e) Is it a fact that the Deputy Director is being transferred from the Railway Clearing Accounts Office? If so, for what reasons?

The Honourable Sir Edward Benthall: (a) No. A special examination of some work in this section was undertaken under orders of the Director when certain information came to his notice through the Deputy Director.

(b) Undercharges of large amounts have been detected. They are still under examination. Debits amounting to about Rs. 52 lacs have so far been submitted by the Military Department.

(c) No. The case is still under examination and the question of the submission of a report does not yet arise.

(d) No.

(e) No orders have been issued to this effect.

CONDITIONS OF SERVICE OF OUDH AND TIRHUT RAILWAY EMPLOYEES.

146. **Mr. N. M. Joshi:** (a) Will the Honourable the Railway Member be pleased to state since when the Oudh and Tirhut Railway (formerly Rohilkhand and Kumaon and Bengal North Western Railways) has become State Railway?

(b) Is it a fact that the employees of the railway are still working under the Company Rules rather than under the State Railway Rules?

(c) Is it a fact that the employees of the Oudh and Tirhut Railway are not drawing the same rate of wages and salaries which the other State-managed railway employees draw?

(d) Is it a fact that, on the Oudh and Tirhut Railway, promotion from one grade to another is not made according to the system mentioned in the State Railway Establishment Code under the heading of "Promotion"?

The Honourable Sir Edward Benthall: (a) 1st January, 1943.

(b) A copy of the terms, under which the staff were offered re-employment under Government, has been placed in the Library of the House.

(c) Wages and salaries are not uniform on all State-Managed Railways and scales of pay on the O. & T. are those extent on the B. & N. W. and R. & K.

DISBURSEMENT OF FINES FUND ON OUDH AND TIRHUT RAILWAY.

147. **Mr. N. M. Joshi:** Will the Honourable the Railway Member be pleased to state what portion of Fines Fund on the Oudh and Tirhut Railway is being spent on the Christian and Anglo-Indian Employees' account, and what part is being set apart for the employees belonging to other communities?

The Honourable Sir Edward Benthall: Information has been called for and a reply will be laid on the table of the House in due course.

POSTING OF UN-PAID PROBATIONERS AS GUARDS, ETC., ON OUDH AND TIRHUT RAILWAY.

148. **Mr. N. M. Joshi:** (a) Will the Honourable the Railway Member be pleased to state whether on the Oudh and Tirhut Railway there is a practice of entertaining unpaid probationers, who are being asked to work in the places of Guards, Ticket Collectors, Coaching and Parcel Clerks and other similar posts?

(b) Are they paid only annas 8 per day for such work?

(c) Is it a fact that they are getting annas 8 per day only for the period they are posted officially for such work?

(d) Is it a fact that a large number of such unpaid probationers do not draw more than Rs. 5 to Rs. 6 per month?

(e) Are a large number of them having more than three years of service and fully qualified being superseded by outsiders quite new to the Department in filling the vacancies?

The Honourable Sir Edward Benthall: (a) No.

(b) Substitutes who are employed in emergencies are on monthly rates of pay. These rates are being ascertained.

(c) They are paid for the number of days they are employed.

(d) The amount of pay drawn will depend on the number of days they work.

(e) The Railway know of no such cases.

APPLICATION OF STATE RAILWAY RULES TO OUDH AND TIRHUT RAILWAY.

149. **Mr. N. M. Joshi:** Will the Honourable the Railway Member be pleased to state whether Government propose to apply the standard rules of the State Railways to the Oudh and Tirhut Railway? If so, when?

The Honourable Sir Edward Benthall: It is not understood what particular rules are referred to. The staff already come under State Railway Rules in certain respects as laid down in the terms offered to them on re-employment under the State; a copy of these terms has been placed in the Library of the House.

STATEMENT OF BUSINESS.

The Honourable Sir Sultan Ahmed (Leader of the House): Sir, at the meeting held on Thursday last, which was attended by the Leaders of all Parties, it was agreed that the Party Leaders would do their best to secure the conclusion of the debate on the consideration motion of the Finance Bill by Friday in this week. If we fail to secure the conclusion of the debate on the consideration Motion by Friday, a serious prolongation of the Session might well be involved. I would, therefore, very earnestly appeal to the House at large, and to Party Leaders in particular, so to arrange the number of speakers and the length of individual speeches as to enable Friday next to be reserved exclusively for Party Leaders, who will, I presume, desire to wind up the Debate.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, we would like to abide by the decision that had been arrived at.

Several Honourable Members: There was no decision.

The Honourable Sir Sultan Ahmed: The decision was that they would do their best to conclude the debate on Friday on the motion for consideration.

Sir Muhammad Yamin Khan: Only one speaker from my Party, Mr. Umar Aly Shah, has spoken so far and he did not take more than 25 minutes.

[21st Mar. 1944]

Mr. President (The Honourable Sir Abdur Rahim): There is time enough for a large number of speakers if individual speakers will not take more than reasonable time.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): I do not think, Sir, that is feasible. So far as I am personally concerned, I said that it would take ten days if the food question was also considered in this connection. So there was no commitment whatever on my part and as for the other Leaders they only said they would try.

Mr. President (The Honourable Sir Abdur Rahim): The Leader of the House has only made a suggestion.

The House will now resume consideration of the Finance Bill.

THE INDIAN FINANCE BILL—contd.

Sir Vithal N. Chandavarkar (Bombay Millowners' Association: Indian Commerce): Sir, yesterday when we adjourned I was referring to the functioning and organisation of the Indian Territorial Force. I am glad the War Secretary is here; he knows the points on which I want to speak because I had already got into touch with him. The point is—and I can speak from personal experience, having been the Chairman of the Advisory Committee of the Bombay Urban Battalion of the Indian Territorial Force for over 10 years—that in spite of the recent expansion of the Force it is difficult for us to recruit an adequate number of men. I convened a conference of the industrialists only last year to persuade them to encourage their men to join the Territorial Force, and they gave a very cogent reply. They said that so long as the Indian Territorial Force does not enjoy the privileges and amenities which the Indian Auxiliary Force enjoys they were not going to do anything to encourage their men to join the Territorial Force. As a result of this discussion we made a representation to the War Department and we were able to secure one concession from Government; British ranks have been now granted to the men of the Indian Territorial Force. But there is still one grievance as regards rations and allowances, and I do submit that the War Department should do their utmost to expedite a decision on this question. Unless this is done it will be very difficult for us to encourage people to join the Territorial Force in large numbers. I go further and say that the policy of the War Department should be not to allow any distinction between the Auxiliary Force and the Territorial Force. There should be one volunteer force for this country which all Europeans, Anglo-Indians and Indians should be allowed to join. There should not be these two forces, one Territorial Force and one Auxiliary Force. Now that we have got an Indian War Secretary I hope he will use his influence to persuade the Department to remove this distinction and place the two branches of the volunteer force on the same footing.

Another suggestion that I should like to make to the War Department is this. Yesterday my Honourable friend Sir Frederick James pointed out that the whole conception of Indian defence has changed. Our eyes are not now concentrated on the north-west frontier only. The whole of India is now exposed to foreign invasion. This country cannot always rely upon the professional army and the Government of the day must now take steps to promote the idea of a national army. All European schools have got the system of cadet corps. The idea is to make these boys military minded right from their school days, but in Indian Schools Government have taken no steps to promote the scheme of cadet corps. If you want a real national army Government must start at the very root from the school stage to make the people of this country army minded and military minded, so that every young man will consider it his duty to join the army and take to military service. I hope the future Government of the country will introduce compulsory military service so that whenever there is any danger there will be no chaos and no panic in the country and the people will feel that they are quite competent to defend the country against foreign invaders.

I now come to the income side of the Budget. As regards income-tax I have very little to say. The various new measures that have been introduced will

come before the House when the Income-tax Bill is taken up. But I will take up the proposal to increase the corporation tax by one anna linking the same with dividends. I take strong objection to this not because I am against the principle of indirect limitation of dividends, but I feel that sufficient measures to deal with the menace of inflation have been taken in the Finance Bill by the proposal to immobilise the whole of the excess profits and for advance payments of Income-tax and Super-tax. Standard profit is supposed to be the profit which a business would expect to make under normal conditions and out of which dividends at the ruling commercial rate can be paid. With the already heavy increase in income-tax and corporation tax since the war started, to increase the corporation tax now proposed will further reduce profits below the figure which a company would expect to have made available at normal times after meeting taxation. The effect of this, I am afraid, will be not only to check the rise in the purchasing power in the hands of the people but to reduce the purchasing power in the hands of the people even below the pre-war level. There will be special hardship in the case of railway companies, banks and public utility companies and others who have been paying very moderate dividends for umpteen years. In such cases to tax them on ordinary dividends amounts in reality to an increase in income-tax and does not act as a deterrent on extravagant distribution which is what the Finance Member is aiming at. If at all a new charge is to be levied it should be levied on ordinary dividends to the extent they exceed pre-war dividends or exceed a certain percentage on ordinary capital. If this is not done the proposal will reduce the purchasing power of shareholders below the pre-war level. The declared object is to prevent excess purchasing power and not to reduce it to below pre-war level. I am afraid I have had to go into some details because I am not sure whether my Honourable friends on the other side will accept this motion for consideration and whether we shall have an opportunity of moving any amendments. I, therefore, hope that the House will show me a little indulgence. There is one small point to which I would like to refer and that is about clause 6(2) (a), where the words "not being a company" should in my view be deleted. In the case of companies receiving dividends declared in March 1944 out of 1943 profits the increased rate of tax will be recovered both from the company paying and the company receiving the dividend. I hope the Finance Member will keep this suggestion in mind, and if the point I take is correct will come forward with an amendment asking for the deletion of the words "not being a company" in clause 6(2)(a).

Now I come to the most important principle underlying this Finance Bill and that is the proposal to ask the companies to pay 19/64th of the excess profits duty as deposit. Up to now the deposit was only 20 per cent. and the idea is to immobilise the whole of the excess profits. In principle I am not opposed to this proposal; I think this will have the very salutary effect of checking inflation. But at the same time I should like the Finance Member to take into account some other aspects of the question which are likely to work as a hardship in some cases of individuals, partnerships and companies and also in case of certain companies which have got to expand or spend some money in renovating or keeping the machinery efficient and at the highest pitch, I am not going to deal with individual cases. In the case of limited companies, it will work as a great hardship in cases where standard profits are very low. It has been made clear, I believe, to the Central Board of Revenue—they know about it—that in case of certain partnerships both registered and unregistered and firms this proposal of taking away the 19/64th deposit will be a hardship. I do not propose to lay down any general proviso which might operate against the whole principle of the Bill, but I do feel, Sir, that a slight reduction in the deposit from 19/64 to 17/64 will cover a large number of hard cases. Coupled with this, I should like the Government to reserve the power to the Central Board of Revenue to pay out a portion of this deposit to companies which, on the certificate of the Industries Department, are in need of funds for renovating or for further expansion. There is a general widespread feeling that the advance payment of income-tax and the immobilisation of the

[Sir Vithal N. Chandavarkar.]

whole of the excess profit duty will cripple the resources of the companies to such an extent that there will be no scope for expansion. Therefore, Government should reserve to itself the power to refund a portion of the deposit in deserving cases where the Industries Department certifies that such a refund is necessary in the interest of further expansion of a particular concern. I am not in favour of giving a general exemption, but I do think there should be some such power in the Finance Bill, so that hard cases can be met by suitable action by the Central Board of Revenue.

There is another point to which I drew the attention of the Finance Member while we were considering the Income-tax Bill in the Select Committee. I would like that the Commissioner of Income-tax should be given power to allow extension of time for payment in the case of assesseees who can show that amounts due to them by Government for outstanding bills for goods supplied or services rendered exceed the amount of tax payable. I am personally aware, Sir of instances where a large number of bills are outstanding. If we go to the Supply Department, they say that the delay is due to the Finance Department. I do not know where the delay actually takes place. I am concerned indirectly with a concern where I know from the figures supplied to us at Board meetings that there are always outstandings to the extent of 13 to 17 lakhs of rupees, and this concern is engaged exclusively on Government work. I know in my own case where yarn was ordered for delivery in August but it was only taken delivery of recently; for seven months I had to store the goods in my godowns and I was bearing insurance charges, interest charges, godown charges and war risk. It was for supply to contractors and the contractors simply defied the Textile Department by not taking delivery. We got priority, we got delivery orders but we always used to get telegrams from the contractor "Don't despatch we don't want to take delivery". We took up the matter with the Textile Department and ultimately we were able to prevail upon them to advance us 90 per cent. payment. I realized the difficulties of the Textile Department; I agreed to store the goods provided they paid me 90 per cent., and they said that they would refer the matter to the Finance Department. They did so and there was a delay of many months. If money is due to us from Government, I suggest that the Income-tax Commissioner should be given the power to allow extension of time for the payment of deposits in advance in deserving cases.

Sir F. E. James (Madras: European): In some cases it will mean more than a year.

Sir Vithal N. Chandavarkar: Yes. I know of such cases. My Honourable friend, Mr. Jamnadas Mehta, says he knows of certain cheques which were dishonoured.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Two of my cheques given by Government have been dishonoured by the Imperial Bank.

Sir Vithal N. Chandavarkar: Now, I come to the proposed increase in the tobacco tax and the proposed levy on betel nuts, tea and coffee. Sir, I have very little to observe with regard to the proposed new forms of indirect taxation, because perhaps Government must find some source of taxation because they cannot always live on borrowings. But I would like to say in this connection that Government should take care to see that the prices of these articles are strictly controlled. I have heard from Bombay that the price of betel nuts has already risen from four annas a lb. to one rupee eight annas a lb. since the Finance Member announced his proposal to tax betel nuts. I am not affected by the tax on cigarettes and betel nuts—I am affected by the tax on tea, of which I am rather fond—and I do not know how the tax on these articles will operate. (Interruption.) In Bombay we are tea-fans, not coffee-fans. It is only when we happen to go to the houses of friends from Madras that we have the pleasure of getting really good coffee.

The Honourable Sir Sultan Ahmad (Leader of the House): I suggest that you

should go to Sir Cowasjee Jehangir's house. You will get good coffee.

Sir Vithal N. Chandavarkar: The Finance Member has referred to his idea of levying death duties. Of course we all realize that a day must come when death duties will have to be levied but I hope he knows—I am sorry the Law Member is not here, but I am sure my Honourable friend, the ex-Law Member knows this—that as far as Hindus are concerned if I am governed by Hindu law, when a grandchild is born to me he gets his interest in the family property. He does not inherit the property but he gets an interest in it by right of birth. I am only hoping that the Rau Committee will expedite their Report and see that the whole conception of joint family law is changed and Hindu law is brought into line with modern ideas. But till that is done there will be innumerable difficulties in the way of any Finance Member, even if he is a member of a National Government, to carry out the scheme of death duties.

There is another proposal to which I would like to draw the attention of the House—the proposal to fix a maximum ceiling rate for the taxation of insurance companies. All of us who are interested in the promotion and growth of healthy insurance are grateful to the Finance Member for accepting the principle of a maximum rate of taxation in the case of insurance companies, for which life Insurance offices have been clamouring for a number of years. But I would like to bring to his notice certain aspects of the question and I would compare the proposal with what is happening in England. In England the maximum rate was fixed at 7/6 in the pound at the time of the supplementary Budget in 1940 when the rate of tax was raised from 7s. 6d to 8s. 6d. The ceiling rate is the same though the rate of tax has been raised to 10s. 6d. in the pound. There is a universal demand that the ceiling rate in India should be fixed at the rate prevailing in 1940-41, i.e., income-tax at 30 pies, Corporation tax at 12 pies and surcharge 1/12th on both, i.e., total 45½ pies as against 63 pies fixed in the Finance Bill. The British system is based on the following basis: 'Investment income less expenses of management or valuation surplus less 100 per cent. of surplus paid to, reserved for, or expended on behalf of policyholders, whichever is larger'. The scheme adopted in India is investment income less expenses of management on a quantified basis or valuation surplus less 50 per cent. of surplus paid to, reserved for, or expended on behalf of policyholders whichever is larger. The principle is the same but the difference is that whereas a life office in Britain is allowed all expenses of management, in India expenses are quantified and life offices are allowed on the whole about 75 per cent. of their expenses and whereas a British Life office is allowed 100 per cent. of the surplus earmarked for the Policy holders, Indian Life offices are allowed only 50 per cent. Life assurance business is still in its infancy and has been adversely affected by the recent fall in rate of interest and the gradual hardening in prices of fixed interest bearing securities has caused a downward trend in the interest earning capacity of the Life offices. I would, therefore, appeal to the Finance Member not to fix the maximum at such a high rate as 63 pies. If he cannot see his way to reduce the maximum to 45½ pies he might at least consider my suggestion to fix the rate at 54 pies, which will be fair both to the Government and Insurance companies from the financial point of view.

I will now come to the question of the control of capital issues. The complaint is that Government take too much time to decide and a feeling has been created—and I would like an assurance from the Finance Member in industrial circles—though it may be a mistaken one—that by making the issue of new capital difficult, Government are not anxious to see new industries developed or old industries expanded. There is also a feeling that generally Insurance Companies and new Banks get sanction much more easily and more quickly than concerns which are industrial floatations. I find, Sir, to-day Government have anticipated me by announcing the rate on the war risks insurance (Factories) at one per cent. Well, personally I think it is rather too high. They already had Rs. 11 crores in June 1943. I do not know what the balance is today and whether it is necessary that they should raise it.

The Honourable Sir Jeremy Raisman (Finance Member): Surely the Honourable Member realises that the general taxpayer earned that money by carrying the risk during that period.

Sir Vithal N. Chandavarkar: I am bringing up this matter because you cannot in fixing the rates entirely ignore the experiences gained up till now. Although it is a matter concerning the Commerce Department, the Finance Department comes on the scene because it ultimately stands to benefit

The Honourable Sir Jeremy Raisman: On behalf of the general taxpayer.

Sir Vithal N. Chandavarkar: I agree but are you using this as a taxation measure, or only as an insurance measure?

The Honourable Sir Jeremy Raisman: It was conceived as an insurance measure because nobody else would take on the business but any profits go to relieve the taxpayer.

Sir Vithal N. Chandavarkar: That is exactly my point. I know when this question was discussed there was a minority who thought that the levy of a further premium should be kept in abeyance. I was one of those who opposed that. So long as the war is there you cannot ask Government to keep such a scheme in abeyance. What I am saying is that the rate fixed at one per cent. is still too high, but I thank the Government for reducing the rate to this level. My Honourable friend, Sir F. E. James, tells me that in Australia they have suspended the collection of any premium for 1944. In my capacity as a Member of the War Risk Insurance Advisory Committee I suggested a levy of two annas per cent. per quarter, that is eight annas per cent. for the whole year and my suggestion is now supported by what Sir James has just told me.

I now come to my next point. In the first place I would like to congratulate the Government of India for having been able to persuade Professor A. V. Hill to come over to India. His visit has been a source, and I can speak from personal knowledge and experience, of great inspiration to all of us who are either scientists or are concerned in industry or are educationists interested in the industrial and scientific development of this country. I thank also the Finance Member for making provision of Rs. 10 lakhs this year for the establishment of three laboratories, the chemical, physical and metallurgical in this country. Ultimately the grant will come to a crore. Government have taken the right step and they have realised their obligation in the matter. I entirely agree that the industrialists in this country have not yet realised their obligations in the matter.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadian Urban): You are an industrialist yourself. You plead guilty to the charge.

Sir Vithal N. Chandavarkar: The other day, Dr. Banerjee on the question of extension made his own case the subject of a sermon. I am not following his example, but I can tell him that recently by imposing a voluntary levy of four years' subscriptions on all the members in the City and Province of Bombay the Bombay Millowners Association has been able to collect about four lakhs of rupees for the Department of Chemical Technology in Bombay. There is a proposal to raise the Victoria Jubilee Technical Institutes, which trains people for textile factories, to the university standard; and ultimately, Sir—and that we cannot do without statutory legislation—our ambition is to have an all-India institute located in Bombay on the lines of the Shirley Institute in Manchester.

Sir, you cannot forget, when you are on this question, the services rendered by the Tata family. Long before any Government thought of the value of industrial research, long before we had any eminent scientists, and just about the time when Sir J. C. Bose's name was coming to the forefront, it was the industrialist, Mr. Jamshedji Tata who conceived the idea of founding a research institute at Bangalore, which is now known as the Indian Institute of Science, and which has been in existence for over 80 years. Government must acknowledge that this Institute has been very helpful to them in the

war effort. I have been a member of the Governing Body of that Institute for the last nine years. I was intimately associated with the foundation and starting of the Research Department of Chemical Technology in Bombay. Naturally, therefore, I am keenly interested in the question of development of scientific research in this country, although I cannot call myself a scientist or a student of science. The whole idea should be this: that the present Board of Scientific Research—the appointment of this Board will be long remembered and for which my friend, Sir Ramaswami Mudaliar, deserves the thanks of the nation—should be expanded and placed on a statutory basis. No doubt Government have taken a start but I do want Government to realise that what they have done is not enough. The whole constitution of the Board ought to be changed and should be put on a statutory basis. It ought to be made autonomous so that it can work with guaranteed funds, without any interference from any Department, and go on planning and developing scientific and industrial research in this country. The financial liability between Government and the industrialists should be fixed on a fifty-fifty basis. I do not want to throw the entire burden on the taxpayer. The industrialist must be made to come out, and if the Government can evolve a scheme—I speak in my personal capacity—they might consider the possibility of each organized industry coming to an arrangement with them so as to make sure that funds are always available.

I would like to quote in this connection what Professor Hill has said—because we are sometimes told that we are poor. This is what Prof. Hill has said:

"If a country is poor and undeveloped, let us spend more on research and not less. Let us aim at giving one per cent. of our national budget, one per cent. of the value of our industrial and agricultural production, one per cent. of the loss due to ill-health, one per cent. of the cost of our transport, our houses, our water, our coal, even our broadcasting to research and in 10 years we shall be getting back not one per cent, but 10, 20 or 200 per cent. in dividends."

That is the attitude which the Government and the industrialists ought to keep before them and they ought to organise a drive for the promotion of industrial and scientific research in this country.

Now, Sir, I am coming to the close of my speech. I see that my friend, Sir Cowasjee, is in a hurry, but I am watching the attitude of my friends on the other side.

I would make a passing reference to the Textile Control. Real and effective control was established in June 1943 and since then prices have come down by nearly 50 per cent. in cloth and 55 per cent. in yarn. If I am wrong, the Honourable the Industries Member will correct me. I was not a member of the Board in the first instance. Only recently at the request of the Industries Department I have joined it. It is a very difficult job to fix prices for thousands and thousands of varieties of articles, and I think the Honourable Member for Industries and Civil Supplies will agree with me that that job has been well done. There may be a difference of opinion as to whether the lowering of the prices has been adequate or not. My Honourable friend, Mr. Jamnadas Mehta, the other day, in referring to the recent action of the Government in extending time, unnecessarily brought in the manufacturers. Extension of time has not been given to us at all. We never asked for an extension of time, but, on the other hand, we had been asking Government since December 1942 to pass a de-hoarding ordinance, fixing time for the clearing of stocks both by us and by the dealers. We have never received any extension of time. We are allowed to hold cloth to the extent of three months production and yarn to the extent of 2 months production. There has been no change in this position by any recent order of the Government, and if any time has been given to the dealer, I think it is due not to causes which are within the control of the dealer, but which ought to be within the control of Government, but which they say are outside their control on account of transport difficulties. That is the reason why extension of time has been given. (Interruption.) This is a matter between the Government and the dealers.

[Sir Vithal N. Chandavarkar.]

I come now to the question of dearness allowance. Last year the Honourable the Finance Member asked me in great gusto and he was cheered by the other side—when he wants to get cheers from the other side all that he has got to do is to criticise the capitalists.

The Honourable Sir Jeremy Raisman: All that you have to do is to criticise Government, and you get the same cheers.

Sir Vithal N. Chandavarkar: Since I have been speaking from yesterday, I have got very few cheers from the other side, and any criticism that I have made is because I wanted information. If I wanted to attack Government I could have done it much more effectively if I had been sitting on the other side.

Some Honourable Members (on the Opposition Benches). Come along. Come this side.

Sir Vithal N. Chandavarkar: The Honourable the Finance Member asked us last year with regard to dearness allowance, "What did you do to resist increase in cash allowances?" You say, I am not to blame, I blame Government. I do not blame labour, I do not blame myself, but I blame Government. But what is happening is this. The Central Government is absolutely ignorant of what the Provincial Governments are doing. That is our trouble and difficulty. They are quite unaware of the history of dearness allowance in Bombay. You may say that the pace has been set by the millowners in Bombay, I agree, but in 1939 soon after the war was declared I do not remember if the Congress Government was then in office, but Mr. Nanda, the Congress Labour Adviser, was still the Adviser of Government. They asked us to run grain shops at pre-war prices prevailing in September 1939 and we were told that Government would resist any demand for cash dearness allowance. We were prepared to do that and we started grain shops, but within four or six months time came the demand for cash allowance. Government said, you must give cash, but you can run grain shops not at pre-war prices but at cost. When the cost of living index figure started rising steadily we suggested to Government that for every slab of 20 or 30 points the rate of rise per point should be on a diminishing scale. The rate for the first 20 points was a flat one of 2 annas per working day but afterwards the rise was fixed at 1.75 pias rise per point per working day, and we suggested that it should gradually diminish so that when the index figure went up the increase would not be so precipitous as in the earlier stages. This proposal was not accepted by the Government and we were asked to go on paying it at 1.75 rise per point.

An Honourable Member: Which Government?

Sir Vithal N. Chandavarkar: Bombay Government. There is another point. The Bombay Government declined a suggestion of ours when rationing was introduced that the method of arriving at the cost of living index figure should be changed and two factors should be taken into account, namely, controlled rates and availability of stocks. In 1934 when the Labour Office instituted an enquiry availability was on a much higher scale. When the availability was reduced Govt. should have arrived at a new method of arriving at the cost of living index figure. As a result of a more effective control I find that prices are now falling. I have been rather a prophet, I told the Honourable the Finance Member in the Lobby last month that I expected the index figure to fall by 10 points. It has actually fallen by 9 points, and I expect a further fall. When the price of cloth was going down the cost of fuel went up and I do not know whether the enhancement of the railway fares will be taken into account to keep up the index figure at a high level. Cloth is going down steadily, and if the present tendency continues I expect that the cost of living index figure in Bombay which is now 238 should fall to 200 within six months. I expect a gradual fall of 9 to 10 points per month. So the fall is

there and that is the only way in which you can control the cost of living and dearness allowances. My point in stating all this is to show that as far as we are concerned, even from September 1939 we realised the danger of cash payments and we were for paying in kind and we were prepared to pay the whole of the dearness allowance in kind. Our conscience is very clear in this matter.

Dr. P. N. Banerjee: The Government were at fault.

The Honourable Sir Jeremy Raisman: Always!

Sir Vithal N. Chandavarkar: Between the methods of cash and kind, we were for payment in kind, we were not in favour of paying in cash, but we were made to pay in cash. Once the ball was set rolling we could not change and naturally all the other industries had to follow suit. The whole trouble radiated from Bombay and it has spread all over the country and there has been trouble, for which we have been blamed by the Honourable the Finance Member.

All this discussion seems to be futile because the whole situation is so unreal. We are meeting in an Assembly where Government proposals are being turned down knowing that the Government will certify. What is all this due to? All this is due to the political situation in the country. I am not going to sit and judge whether to blame the Government or to blame the other side. But I do ask whether the situation through which we are passing is really in the interests of the country. I was reading the other day a review which appeared in the *Statesman* on Lord Wavell's book on Lord Allenby's Life, and there a quotation was given which appealed to me. Lord Allenby there in Egypt, advised the Home Government, "If you want to make a concession to a country, do it boldly and on a magnanimous scale. Don't go into the question of what has happened in the past, who is to be blamed, and what is to be done". Let the Government make up their mind. If they want to make a concession to this country, if they are really serious that this country, at least at the Peace Conference, if not now, should function as a self-governing Dominion with national ministers representing the Government at the Peace Conference, I do not appeal to the Government of India because I know that they are helpless in the matter, but I do ask them to press upon His Majesty's Government that if His Majesty's Government mean serious business, they should forget what has happened in the past without trying to apportion blame. If they really mean business, if they are *bona fide* in their promise of self-government, then they should proceed to legislate and say, "This is our solution. You have got to take it or leave it". Large number of people will come forward to work the constitution—There are bound to be irreconcilables. Even Ireland had irreconcilables and they are in power now. There are bound to be irreconcilables in every country but they should not obstruct the policy of the Government, if His Majesty's Government mean serious business. Recent events in this country and the recent appointments to important posts have created an impression in the minds of many people that we are all progressing in the direction of the tail, that we are going backwards and, now that they are winning the war, the British are not really serious about the grant of dominion status to this country. I am not one of those who share that feeling. I have still faith in the general mass of the British people in England, if not in the political leaders of the different parties.

Dr. P. N. Banerjee: That is a left-handed compliment.

Sir Vithal N. Chandavarkar: From this point of view, I welcome the recent combination of the two parties in this House. Although Government may be defeated and they may have to certify, still if these two parties forget their differences outside and work together, a situation will arise in which they will forget their points of controversy and they will learn to understand each other better. They will get into the habit of associating with each other.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): You also join.

Sir Vithal N. Chandavarkar: I do not believe in the principles and methods which these Parties are following. (An Honourable Member: "If you join,

[Dr. Sir Zia Uddin Ahmad.]

what is happening. In my opinion this question of inflation has very little connection with the question of price with which I will deal later on. People are really mixing up the question of price with inflation just as the theologians, when checkmated by any good argument, they always say: "You are a Kafir", which really means that you are not a true Muslim. So, whenever these economists are checkmated in all their arguments, they always say that it is due to inflation. So, the word inflation is used by persons who do not know its meaning. When they cannot put forward any good theory, they shirk the whole thing by saying that it is due to inflation, although they do not know what it means. When the prices soar high, they always say it is due to inflation, which they do not understand.

Now, Sir, I come to what I call the wealth of a nation. I said last time that the wealth of a country does not depend upon rupees, annas and pies. It does not depend upon your foreign credit which may be 950 crores now or 2,000 crores after the war. It does not depend upon that also. It does not depend upon your exports and imports, but it certainly depends upon your capacity to work, upon your capacity to produce an article and the natural resources of the country. These are the only two points on which the wealth of a country depends and these are the only two points which we ought to develop.

May I ask, Sir, that the Secretary, Department of Education, Health and Lands, should be here as he must share the responsibility and not the Finance Member alone? I also want the Supply Member to be here. After all, in the debate on the Finance Bill it is not the Finance Member alone who is responsible for all these things. His colleagues must also share the responsibility proportionately.

As I was saying, your wealth does not depend upon your gold or silver or anything else but it depends upon your capacity to do the work. As an example, I will just tell you what happened to Germany after the Great War. Germany was asked to pay 250 milliard marks after the war as a war indemnity. It comes to Rs. 1,670 crores per annum and if it is paid for ten years, it comes to Rs. 16,700 crores.

The Honourable Sir Jeremy Raisman: They never paid. It was the other people's money which they paid.

Dr. Sir Zia Uddin Ahmad: For a considerable time they did pay. They repatriated in 1929 and then they stopped paying.

The Honourable Sir Jeremy Raisman: They borrowed during that time and they paid with borrowed money.

Dr. Sir Zia Uddin Ahmad: They exhausted all the foreign credits. At any rate, they continued to pay for many years. The Finance Member and I differ only as to the period of time for which they continued to pay Rs. 1,670 crores per annum. Let us agree to differ about the number of years, but they did pay for a considerable number of years. They did not pay by means of their gold reserve or foreign credit but by doing hard work. I was in Germany myself in 1920 and 1921 and I asked these people about the payment of the war indemnity. They said they would pay. They would work day and night and they would be able to produce sufficient articles to send out in order to pay the war indemnity. That is only an illustration.

Then, I said that the wealth of a country depends upon the power of production. Therefore, it is exceedingly desirable that our power of production should increase and that brings me to the question of health. After all, if you want to increase the production power of the people, then it depends upon two important factors, education and health. By education I do not mean, reading and writing, but the capacity to economise your time by having all kinds of contrivances. All these are included in the word education. I will discuss the questions of education and health afterwards because on these two factors alone depends the production power of the country. This is the wealth of the country. But there ought to be some kind of measure. How are you

going to measure the wealth of the country? If you want to measure anything, then your unit of measurement must be a fixed and definite quantity. You cannot measure a thing which is moving backwards and forwards and which is becoming larger and smaller. So, money or rupee is really adopted as a unit of measurement, because you have to express the wealth of the country which is really in terms of rupees, annas and pies, which is really the measurement and not the wealth itself. In order that we may express mathematically the wealth of the country, it is essential that your unit of measurement must have a definite value. Therefore, I have come to the conclusion as a mathematician, which the Honourable the Finance Member, as a philosopher, ought to admit that his rupee must have a fixed and definite purchasing power, that it should not vary and that it should not be at the mercy of the representatives of commerce, like my Honourable friend, Sir Vithal Chandavarkar, or upon the good will of some Minister in the Punjab. It is the fundamental duty of the Honourable the Finance Member which should be accepted that our paper which is the unit of measurement of the wealth of the country should have a fixed and definite value. In case the Government of India cannot fix the purchasing power of the rupee to which I will come later on, there is no other alternative but to find out another unit which could be fixed and made definite. When the mark went down, what did the Germans do? They devised a new unit called the Reichmark. Similarly, we will have to devise a new unit of measuring wealth and that new unit will be what I would call the wage unit. The wage unit will always be a definite quantity in terms of rupees which will be variable. The wage unit will be according to the purchasing power of the rupee, which may be sometimes, Re. 1 or Rs. 2 or even Rs. 4, because the paper rupee has got a changing value. I am glad the Labour Department is just now collecting statistics which will enable the determination of the wage units. These wage units can be expressed in terms of cost of living. When the purchasing power of the rupee is a changing quantity, it will be exceedingly useful in determining the relative exchange of two countries. Suppose you have got two countries, Czecho-Slovakia and India. In what way would you transform your krone into rupees? If the unit is the wage unit, you can then alone fix the exchange of paper currency between two different countries. Therefore, either of these two methods will have to be adopted. If the Honourable the Finance Member is prepared to have a definite purchasing power of the rupee, then that will be taken to be the unit of measurement. If he is not prepared then we will have to say good-bye to your paper rupee and adopt another unit in this country which I call the wage unit. That would be fixed and definite and its value may be variable. That does not matter.

The problem of all problems is really the purchasing power of the rupee and I hope the Honourable the Finance Member will adopt every measure in his power to have this purchasing power of the rupee fixed. I make one or two suggestions. I do not know whether he would be willing to adopt them. In the first place, he must fix the value of the purchasing power of the rupee in terms of silver, I suggest let it be by ordinance or by law. The paper rupee should always be able to purchase one tola of silver. That was the old value which really existed before the war. Of course, we will have to make restrictions. No doubt only certain Provinces should be allowed to sell under certain conditions. There should be no speculation in Bombay Exchange about the value of silver. All these things should be controlled by Government, and once they fix the value of the paper rupee in terms of silver, as one rupee per tola, then we can proceed further. If he is not prepared to do that, all your attempts are not likely to be successful.

Your second item should be gold. As regards gold, there are two methods of doing it. Keep your Reserve Bank Act, sections 41 and 42, and keep one rupee equal to one shilling six pence. Afterwards let us link it with sterling and then determine the value of the silver in terms of gold according to the conditions prevailing in England. Or you may enter into direct negotiations

[Dr. Sir Zia Uddin Ahmad.]

about gold as well, and do away with one shilling six pence. That would be the better thing. I would rather continue the other thing.

In this connection I should like to refer to a point which was raised by my Honourable friend, Mr. Avinashilingam Chettiar, and also by my Honourable friend, Sir Vithal Chandavarkar, and that is about the sale of gold by the Reserve Bank. He pointed out that the world parity of gold is Rs. 42 a tola, while the Reserve Bank was selling at Rs. 71 or Rs. 72 per tola. Well, what should you call this transaction, except black market transaction. How do you define 'black market'? A 'black market' is a place where you sell articles at prices greater than the controlled prices. Now, Sir, the controlled price of gold is Rs. 42 per tola. When you sell gold at Rs. 71 or Rs. 72 per tola, that is much greater than the controlled price, then this is really black market. Really speaking the Reserve Bank has been acting as the black market for England and the United States of America in order to cheat the public of this country. In this connection, I should like to condemn the Directors of the Reserve Bank who have been keeping silent over this affair. I think by their silence, they have not discharged their duties to the satisfaction of the people. When they allowed the Reserve Bank, without any protest on their part, to act as a black market for sale of gold to this country on behalf of America and England, I think the Directors are open to public censure for their conduct. I would go further and say, that I demand their resignation for not discharging their duties properly and allowing the Reserve Bank to be used as a black market. I have no confidence in these Directors. They have allowed this black market for sale of gold in this country and by this transaction they are cheating the public of this country and make them lose enormously.

Sardar Mangal Singh (East Punjab: Sikh): Perhaps under instructions from the Honourable the Finance Member.

Dr. Sir Zia Uddin Ahmad: These Directors of the Reserve Bank are responsible to the shareholders who elected them to the Board. I have not heard a single protest from any of these Directors of the Reserve Bank drawing the attention of the public or the Reserve Bank to the black market sale of gold in this country on behalf of England and America. It is only for the first time my Honourable friend, Sir Vithal Chandavarkar, draws attention in this House.

The Honourable Sir Jeremy Raisman: I am sure the Honourable Member must realise that there are two points of view with regard to this matter. I wish he would not attack people who are not here and who have got no opportunity to defend themselves on the floor of this House.

Dr. Sir Zia Uddin Ahmad: I have got only one view with regard to this matter. I have defined what a 'black market' is. The Reserve Bank has been selling gold on behalf of foreign powers at prices much beyond the controlled price. These Directors of the Reserve Bank are keeping silent over this matter. I leave it to the House to draw their own inference. I do not want a second view or a third view about this matter. There is only one view that is possible in this affair and that I have expressed. Let the Directors come forward and express their views. They can only say that we wanted gold in this country. But that is not the way of purchasing gold at black market prices. That is not a correct procedure.

Now, Sir, as I was saying once the price of the rupee is fixed in terms of silver, the next thing is to determine the price of wheat and rice, and cloth. These are the three essential commodities for the common man. As regards cloth, I have no doubt that the action of the Honourable the Commerce Member has brought down the price to what it ought to be. What the Honourable the Finance Member ought to keep in mind is that the price of commodities as compared to the price prevailing before the war should vary in the proportion of 100:175. Supposing the price index of an article was 100 in 1939, then in these days the maximum on account of war conditions should vary between

150 and 175, and not more than that. I find from the figures before me that these are the limits within which most of the articles vary except wheat and cloth and rice. I include iron, sheets also in this category because they are also essential for war purposes. Within these limits the prices should vary and if they can bring down the prices of these articles in this manner that will be a very good work in this direction.

Before I take up some points relating to the Commerce Department I should like to take this opportunity to congratulate the Finance Member and Supply Member on their reappointment to their posts. I do not agree always with the Finance Member to the extent of 16 annas in the rupee but I admire the services he has rendered to this country. Before Sir James Grigg retired I had a talk with him and although I advocate the importation of a Finance Member from outside with a fresh outlook, we came to the conclusion that a person with training in Indian finance will serve the purpose much better from the Indian point of view than an outsider. I think that view has been justified by the present Finance Member. As for the Supply Member, he has been on this side of the House for a considerable time and he knows how he wanted to be treated by the Members on the Treasury Benches; now he is treating us in the same manner as he would like to be treated when he was on this side and I take this opportunity to congratulate him also.

Now, I will address myself to the Commerce Member. With regard to the pamphlet issued in the name of eight capitalists of India or,—as I would call them,—*Padampatias*, it is an unholy alliance between these *Padampatias* and the multi-billionaires of England to rob the poor Indian consumers and to kill our small industries. The communist tendencies of nationalisation of industries and the breaking down of monopolies and combines which will dominate every country after the war will eradicate such an unholy alliance. The only thing I can say is that if you accept the doctrines advanced in this book you will be nearer the road leading to communist feelings in this country. So if you want to proceed in a spirit of democracy the less we talk about these large-scale and highly paid industrial concerns the better. This tendency is not found in this country only. My Honourable friend, Mr. Krishnamachari, gave several illustrations about the misuse of these particular industries. I do not want to repeat what he said but I may mention the action by the U. K. Government in this direction. I will read a passage from an article in the *Contemporary Review* for January 1944, which says:

"Their disadvantages, in so far as their activities are monopolistic, are, in the framework of a prosperous and free country, threefold:

- (i) They restrict and determine consumers' choice.
- (ii) They decide the fate of possible competitors in their own field.
- (iii) They confront the individuals and firms which supply them with their materials with a power enabling them to determine, to their own advantage and profit, the terms of the bargain."

These are the disadvantages of monopolies. Let us see what action the U. K. Government have taken. I would ask the Commerce Member to take note of this and see how far he can follow the practice of the Board of Trade and how far we can learn from the experience of the U. K. In this very article there are a number of suggestions which are worth considering: The first is that we must have an Anti-Monopoly Act. The second is that we must have what they call publicly appointed Directors, i.e., appointed by Government. They should sit on companies and I need not deal at length with what they should do. Then there should be periodic and comprehensive investigation by Government-chosen and Government-paid auditors. Then, with regard to price checking, there should be an anti-monopoly department of the Board of Trade, split up into two sections: one to review and check prices and one to give the fullest publicity to the accounts of all the combines and companies. We are really suffering from these two evils, combines and companies and we will see how the Commerce Member deals with these two problems. If he fails to find a solution of these problems now during the war he will find a spread of Bolshevik and communistic doctrines in the country.

[Dr. Sir Zia Uddin Ahmad.]

Another thing is that the Commerce Department is acting in a peculiar manner. We know that some ports are closed in certain months. When these ports are open they say they are considering the question; as soon as the ports are closed they say we can export but we cannot do it. This kind of Egyptian dealing which some person in the department has adopted should be looked at and there should be fair deal and fair play.

Then I come to the question of education and health raised by my Honourable friend, Sir Frederick James. He mentioned the war efforts of the Aligarh University and he compared it with the Punjab. The Punjab is in a fortunate position for three reasons: they have 20 colleges against our one and these colleges are spread over two provinces, the Punjab and the North-West Frontier Province. Secondly, their destinies are governed by persons who themselves are very anxious to push the war efforts, i.e., late Sir Sikandar Hayat Khan recently and Sir Khizar Hayat Khan at present, and our destinies are really in the hands of Sir Jogendar Singh who probably is unaware of the fact that there is a war going on in this country and there is such a thing as 'war effort' in which he should help. He can help a great deal by giving us assistance in carrying out the various schemes which have been started for helping the war effort. The second point is that they are under the Provincial Government and the Governor of the province while we are not under the Governor of our province and whatever the Provincial Government or the Governor says it does not find acceptance as far as the Educational Department of the Government of India is concerned. Therefore, if you want to increase the patient preparation for war and give more and more help in the war effort, I think it is very desirable that either the Education Department should realize that they are in the middle of the war and should adopt special measures or they should transfer the charge of Aligarh University from the Education Department to the Viceroy's special portfolio or some other portfolio, or hand us over to the Provincial Government, because I am sure the Provincial Government would be prepared to help us better than the Education Department of the Government of India. As it is, we are faced with many difficulties. I will give you, Sir, one or two instances: Our boys, who are taking up various jobs in connection with war, have naturally been asking for concessions. The Punjab Government have issued a special war ordinance for this purpose. We also made an effort; two years have passed away and no sanction has been received and I am sure it will take me a long time more to see it through. I have no time to narrate the whole story. Suffice it to say that we have been doing this work in order to help in the war effort, but we have not received any assistance from the Education Department. Whenever we approach for anything, they say 'it concerns the war office; it has got nothing to do with the Education, Health and Lands Department'. It is not correct. Considering the position purely from educational point of view, all the institutions that we have established now, although they have been established during the war time, will continue to function even after the war, and they will have a permanent place in the University, which aspect the Education Department hardly understands and therefore is not prepared to recognize or help in any way whatsoever.

My Honourable friend, Sir Chandavarkar, said something about the introduction of military science in schools. We have introduced military science in our University, but we have not received the assent as yet. We have got certain difficulties and everything hangs upon the assent of the Governor General in Council. We have got a number of other schemes which it is not necessary for me to repeat at the present moment.

Coming to the health side: The number of doctors, we know, is very few. There is a very great demand for them. Students from the Aligarh University who wanted to take up this profession were not able to get admission in any medical college in India; every time we tried, we failed, so that we were compelled to start a medical college also to meet the needs of the community,

to meet the needs of the war, and to meet general needs of the country. The department of Education, Health and Lands have prepared a special chart and they have collected special statistics in which they have proved that medical assistance is the lowest in India as compared to any other country in the world. In view of this position which they have themselves proved by statistics, I think it is very desirable that they should come forward to help in the establishment of medical colleges wherever it is possible to collect a large amount of money. They should be prepared to help us with words, by accepting our proposals and giving us a little grant also—never mind if these grants are not big; let them be only token grants. Then, Sir, we have established an Engineering college. You know that engineers are very badly wanted. We have given 50 engineers to the Military so far, but we have not received a single penny from the Education Department towards the maintenance of this Engineering college which has got about 350 students who are being prepared for Civil, Electric and Mechanical Engineering; we are also preparing some students for aeronautical engineering. This is the way, Sir, the Education Department of the Government of India is treating us. Look at the help they are giving to the Delhi University—I do not grudge it—but what I say is that they should not treat us as a step-child. If they are not prepared to help us, they should say so plainly and transfer us from their charge.

Now, I come to the Food Department. I would not have touched the Food Department had there been a food debate during this Session, but as there is going to be no food debate I will touch a few points. I will not enter into details however.

Dr. P. N. Banerjee: Here comes the Food Member.

The Honourable Sir Jwala Prasad Srivastava (Food Member): I thought we was never going to touch Food.

Dr. Sir Zia Uddin Ahmad: There cannot be any debate in this House without Food.

In the first place, Sir, this department in practice is not run by the Viceroy's Council. It is run by three classes of stockists: In the first place, *banyas*; in the second place, *marwaris*; and in the third place, *Memons*. This is how it works: You get clues from stockists, then you wait for orders from this particular class in a manner which I need not discuss openly. The next point to which I would like to draw the attention of the House is that I gave notice for bringing before this House the Anti-Hoarding Bill and you, Sir, did not allow it to be moved in this House for reasons which are unknown to me. The only reason I could think about is that you would not like all these things to be told publicly. The Finance Member asked me in the Finance Committee the other day that I should hand over this Anti-Hoarding Bill to him so that he may take it up himself. I take this opportunity to pass on the Bill to the Finance Member.

(At this stage, the Honourable Member asked the Assistant Secretary of the Assembly to pass on the papers to the Finance Member.)

Mr. President (The Honourable Sir Abdur Rahim): No, no.

Dr. Sir Zia Uddin Ahmad: He asked me to hand over a copy of the Anti-Hoarding Bill to him

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can do that outside the House.

Dr. Sir Zia Uddin Ahmad: Very well, Sir. But I do not see why I should not be allowed to have a discussion on this Bill. However, I would like to make just a few suggestions without giving any reasons because time does not permit me to go into details.

In the first place, I honestly believe that at the head of the Food Department there should be either a stern I.C.S. or an honest public man from public life. In the second place, he should have no business concern himself; he should not be a director of any firm or company himself, because it is not fair that a person who himself has got business concerns and is the director of many companies should be at the head of the Food Department.

[Lala Sham Lal.]

speech on the 16th November, 1940, I pointed out what the nature of that civilisation was for which India was to play a worthy part. But I am not going to repeat here what I had said on that occasion. The Congress Party waited for three long years. The Congress Party has been seeing and watching in what manner the statement of the Government was going to be given effect to in relation to more taxes. Taxes have been rising by leaps and bounds and at a breakneck speed. Taxes have been imposed through this Legislature, taxes have been imposed through ordinances, rules and orders in various directions. Subscriptions have been taken in every town and village practically forcibly through high Government officials; similarly, donations to war loans and recruitment to the army have also been effected. Besides, a great deal of discussion has gone on in this House on profiteering both by the Government of India and the Provincial Governments, through their supply and purchase departments and through control and monopoly orders.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can continue his speech after lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. K. C. Neogy (One of the Panel of Chairmen) in the Chair.

Lala Sham Lal: I was speaking as to how this Government have been carrying out their design to tax the people of India as expressed by them in November 1940 and after the power of veto vesting in His Excellency the Viceroy and Governor General was brought home to the Members of this House and the people outside. In short, lancets after lancets have been applied to India while India has been bleeding and crying. It is under these circumstances that the present Finance Bill has come in. The Honourable the Finance Member under the circumstances has been forced to admit that there are already distinct signs of over-strain and he has feared even the danger of a serious breakdown but notwithstanding these he is proposing new taxes, of course, according to him with safeguards which he considers necessary and satisfactory. It is thus yet another lancet which is now going to be applied to languishing India. India is being tortured as it were to death.

But before I come to the subject, I ought to explain the position in which I stand. From the words which from time to time fell from the mouth of the Honourable the Home Member I am inclined to think that this Government and the Honourable Members of this Government may be thinking that this Congress Party has after all come to this House, baffled, crestfallen or defeated. If they choose to think that way, let them do so and I ought not to grumble. But let me state on my own behalf and on behalf of the Congress Party to which I have the honour to belong that we do not feel defeated in the least. Defeated by whom and when? Is it not the case that they are out to utilise their power for the good of the country through sufferings however long and arduous? A non-violent resister can never be baffled. He can never be defeated. He is always victorious. The victories may not be visible all at once but time will show that he is always victorious. He carries with him a force, which is subtle indeed but tremendously strong and which in course of time has to be visible. Sir, the Congress Party is here to warn the Government in regard to their conduct with respect to India. This they are in duty bound to do as often as there are occasions for doing. I therefore rise to oppose this Bill on grounds similar to those urged by me on 16th November, 1940.

The present Finance Bill seeks to impose new and further taxes and in the usual name of war efforts, in the usual name of defence of India and with a new formula devised in the name of post-war reconstruction. It is not necessary for me to go into the merits of these demands because I see that enough has been already said and is being said regarding these demands. Suffice it for me to

say that this post-war reconstruction formula is rather a new pretence to squeeze out the living of the people, if any living still remains with them. I ask what right have they to tax the people in the manner they are doing? What right have the Government of India, irresponsible British Government as it happens to be, to tax and handle the people of India in the manner they are doing? A great historian of England laid it down years ago; and I am quoting his words:

"Our acquisition of India was made blindly. Nothing great which an Englishman ever did was done in the matter of this acquisition save accidentally and so unintentionally, although India happens to be a precious gem on the British diadem now. Yet, this India was never conquered by the British. As a matter of fact, India with 250 millions of people could not be conquered by a handful of Britishers going there across the seas. India came under the British protection voluntarily, worn out as she was by the internal quarrels of Hindu and Muslim Kingdoms. India accepted voluntarily British tutelage to be taught unity and nationality and the art of self-government. India thus to all intents and purposes was a property in trust with the British for specific purposes. The moment a nationality arises in India, British rule was to be at an end and British rule was to leave India."

Now, Sir, these are the words of a great historian of England, Sir John Seeley, belonging to the Oxford University. He said that India was a property in trust with the British. Now, the matter of this trust has never been denied by any British statesman. It has never been denied by the British Government in India. It was not denied in the well-known Proclamation of Her Late Majesty Queen Victoria declared on the 1st January, 1858, while assuming the administration of this country. Now, when India is not the property of the British, how can the British Government in India under the guidance of the British nation in England handle the affairs of India in the manner they are doing and tax the people of India in the manner they are doing right and left. When India is held in trust for specific purposes, how can they go beyond the purposes of this trust, which cannot be denied. Sir, India is being exploited. Everybody knows it. The Honourable Members of this House have declared it times without number. What right then have they to exploit India in the manner they are doing? Has not the exploitation of India in the past been enough for the British who happen to be in India? It is remarkable that Burma was conquered solely through India. This law of income-tax which has become so gigantic now and such a source of trouble to the people of India was enacted provisionally at a time when funds were needed for carrying on the war operations which were then going on in Burma, to conquer Burma. Burma was conquered through India and what treatment was offered to Indians? High hopes were held out at that time to Indians, but the separation of Burma and the Indo-Burman pact have been the living example of the treatment that has been meted out to Indians. Then, there have been two Boer wars. The Boers had nearly driven out the British from their country when Expeditionary Forces were sent out from India twice, once under Lord Roberts, the then Commander-in-Chief of India, and again under Lord Kitchner, the then Commander-in-Chief of India. It was because of these Expeditionary Forces sent out from India that they have been able to subdue and conquer the Boers and establish their hold in South Africa. Now, look at the treatment that is being meted out to Indians in South Africa. This is a matter which need not be stated here because it is evident to all. Mesopotamia and Palestine were also conquered with the aid of the Indian forces. Indian forces were utilised in Central Asia, West of Asia, North Africa and China times without number. Has not all this exploitation in the past been enough that India is now being exploited more for selfish purposes and to satisfy their greed for extension and domination.

Then, Sir, what right have the British Government in India to drag this country into war? Is it covered by the conditions of the trust? The Indian nation has declared that they are not at war with any country. Even the Honourable Members of this House have declared that the dragging of India into the war was not with the consent of the people. It was not done with the consent of this House. In fact, the question of the dragging of India into the war was not brought into this House at all. Now, what right have they to drag India into this war? Then, Sir, what right have

[Sir Vithal N. Chandavarkar.]

you will believe") I realise that the Muslim League and the Congress represent the largest section of the public of this country and it is on that basis I am speaking here. Once they start associating with each other and understanding each other's point of view, forgetting questions which may be of great value later but are only of academic interest now, then I am sure a situation will arise in which the understanding thus created will spread outside the House and bring about a better understanding between the people of this country and if such a situation is created, my Honourable friends belonging to the various sections will have done a great service to the country.

Dr. Sir Zia Uddin Ahmad (United Provinces Southern Divisions: Muhammadan Rural): I heard with great interest the speech of the representative of the Bombay Orphanage, popularly known as the Mill-Owners' Association. After all, I have got before me the figures of the rise of prices month by month of the principal articles which determine my wage unit, I mean cloth, manufactured articles, wheat and rice. From this I find that the greatest culprits were the Bombay people. They raised their prices first and the figures show that rise in prices of wheat and rice followed. It is not a fact that wheat and rice began first and the mill owners followed. It is they who really began. On one occasion, they really had this advantage, that they determined the price and the Government of India accepted it—whatever they demanded. It is only recently that changes have taken place and prices have come down but still the prices are not what they ought to be. I will come to price levels later on but I should like to mention that we have to take the speech as delivered with reservation. I shall give the details later on. As my time is limited, I am not going to repeat the arguments I have already advanced, nor will I repeat what I said on a previous occasion. I shall just continue the debate, where I left it during the time of the general discussion of the Budget.

On that occasion, I gave you the history of the Paper Currency Reserve and I said that Germany discarded the paper currency in 1930. They carried on their internal business with the prestige of the Government and Ordinances and they carried on the external business by means of barter. Then I said last time that when people began to hoard silver rupees, the Finance Member had the vision to print his rupees, not silver but what they call silver alloy or rather what is called pseudosilver. He printed his paper note and he called it a rupee. It has really shocked the adherents of the classical theory of economics but the success of his efforts proved that he was right and he could not follow in war time these classical theories devised for peace time. Then he came to small coinage. There he entered into competition with the hoarder and I think his method of entering into competition with the hoarder did not prove a great success. He went on producing and the people went on hoarding, until he produced such large quantities that hoarding became impossible. The Finance Member succeeded as far as the bigger towns are concerned. He flooded the market with his over-production and the hoarders are tired of it. But the Finance Member has not succeeded in the case of the smaller towns, the villages and the country at large. I really ask him again to consider the suggestion we made on several occasions—to use the same method in regard to the smaller coins as he used in the case of the rupee. I suggested that he should introduce Rs. 2/8 notes, so that we could pay 8 annas in notes. We asked him to permit the local bankers, as was done in Moradabad, or devise some other method, the details of which I would not like to give the House now. Some method should be devised by which you could introduce the 4 anna pro-note, as was done in many places. (An Honourable Member: "What about copper pice?") The copper pice is really used as washers by a large number of people.

Now, Sir, I come to the paper currency reserve. According to the figure given to us—by December 1930—we have got 830.95 crores in circulation. Out of this, we have got in the paper currency 44.42 and then we have got 14.87

crores—I do not know whether these are silver rupees or pseudosilver rupees or paper but I take it to be silver rupees. All the rest is invested in paper. So, the security against paper currency is another paper security which he calls the Indian securities and sterling securities. The extent of that security is 93 per cent. Therefore, against paper currency he has got a security or a pro-note of persons who can be trusted, that is the Indian Government and the British Government. What the security for the paper currency is, is a conundrum. Whatever people believing in the classical theory of economics may say, people in war time who are of a practical nature would not agree to this. If you are going to put down in place of a paper currency a reserve in the shape of paper, what is the use of it. Why not come out boldly and say "this is war time and special measures are needed and many countries have done it." Come out boldly and say that you believe in the printing of paper. This is perhaps much better. What about the reserve? His reserve is in the shape of what are called the sterling credit in England. This is just like writing a pro-note for my credit in Paradise. According to my belief for one rupee spent in charity Rs. 70 are credited in Paradise for me and now if I have got my credit in Paradise, will he be able to accept my pro-note on the strength of the security which I have in Paradise? Does the Honourable Member ask me that I should accept the security of some kind of credit which is built-up in England or elsewhere? If there is a credit, it ought to be in cash, otherwise the credit for the entire paper is certainly no credit at all. It is an economic conundrum and the sooner we get rid of it the better. Therefore, the second point which I would like to press on the Honourable the Finance Member is that he should get rid of this classical idea of keeping paper currency reserve and go ahead with this work that we want to print more paper if necessary. At the same time, it is unnecessary to keep the currency reserve as we had it according to the classical theory.

I now come to the slogan of inflation. What is the underlying idea of this inflation? Now, we sell something to the United Kingdom in the shape of goods. According to the usual practice, we must get the money back either in the shape of goods or in the shape of treasure. These are the only two ways in which we can get the money and have the balance of our trade equated or it may be by the return of merchandise. That is to say, the exchange of merchandise and treasure must balance each other. This was the method by which we did our trade before. Now, we cannot possibly get the merchandise in place of merchandise and we are not getting treasure either. All the same, we are sending out money; so what is to be done? Now, on the one side, we establish what we call the sterling credit. Sterling credit is really the balance which ought to have been paid to us in the shape of treasure or in the shape of merchandise. The people who really did service have got to be paid something. To tell them that they have got some kind of a credit will not satisfy them. So, the Honourable the Finance Member is forced by circumstances to print more notes and to give them to those who did service. This was an unavoidable necessity and you may call it inflation or anything else. When the treasure and the merchandise are not available for the services rendered by us and the people who supplied goods must get something in return, that something can only come in the shape of bank notes and these are accumulated and are called treasure. Now, attempts are being made no doubt to bring these notes back again and put them into circulation. If these notes are brought into circulation by some method, and the method which used to bring them into circulation is now called anti-inflationary method, then the very same notes can come back into circulation again and it will avoid the printing of fresh notes. The Honourable the Finance Member is aware that the circulation speed before the war was 12.6 and a few months back it was reduced to 5. I do not know what is the figure now, but probably it is much less. Therefore, we ought to take steps to speed up the circulation so that the notes may be sent back again and it may become unnecessary to print more notes and thus increase their number. You may call it inflation or deflation, but this is

[Lala Sham Lal.]

Dark antiquity, hath
Flowed with pomp of waters unwithstood
Roused though it be
Full often to a mood
Which spurns the check

Of solitary hands
That this most famous
Stream in bogs and sands
Should perish, and for
Good and evil be lost for ever."

Now, Sir, these were the words expressed by the sage poet of England to whom every Britisher must pay respect. The poet wrote this in 1843, full one century ago at a time when Britain had come out successful in all the Continental wars. England became Great Britain and Greater Britain and still at that time Wordsworth prophetically said that this British freedom coming as it was from dark antiquity a time was to come when this shall have a dash against bogs and sands to be lost for ever.

Should not this advice given by the great seer and high thinker of England have been taken note of by the statesmen in England? This advice was trampled under foot.

Then, Sir, another great poet, another Poet Laureate of England, Lord Tennyson, wrote so far back as 1856, nearly eighty-eight years ago, a poem which he read out to a gathering in Kingsley Hall, London. The poem was entitled, "Dream of the Future". It is not necessary for me to quote here the various stanzas that he gave in this poetry all of which are proving true, I would like to place for the consideration of the House only three stanzas of that poem. At that time, of course, he wrote in a wakeful dream. He said:

"I heard the heavens fill with shoutings
There rained the ghastly dew
From the nations airy navies
Grappling in the Central blue.

Far along the world wide whisper
Of the South wind rushing warm
With the standards of the People
Plunging through the thunder storm."

Now, Sir, what did the poet say in his wakeful dream so far back as 1856? He said that there will be air navies, there will be aeroplanes which will be grappling one another in the skies from where will rain bombs of a ghastly nature, and the people will cry aloud. This was what was predicted by the great poet in 1856. Nobody could think of these aeroplanes in those days or could imagine that anything like what is happening now would happen. Then, further on the poet, as to how long that was to be, said:

"Till the war drums throbbed no
Longer, and the battle flags were furled;

In the Parliament of man,
The federation of the world."

He predicted a time when human beings will cease to be brutes and will play the role of men when war drums and battle flags will cease to have any place at all. In the last stanza the poet said:

"There the common sense of most
Shall hold fretful realm in awe

And kindly earth shall slumber
Rapt in universal law."

This was written in 1856. This Mother Earth who is being tossed about upside down by these wars has after all to go to repose. It is now time that the advices given by these high thinkers of England are to be fulfilled. It is now pointed out by India that peace is not to come in that way; it is not to come by armed warfare and by brutish and demoralised warfare. India says that of the two forces one force is to be driven out and the other has to be brought in to take charge of world affairs. That is what India tells the British Government log of wood. You may apply fire to it taken singly. Whatever fire you may apply it will not burn; but place two logs of wood together and then apply fire to them, by the slightest fire they will be kindled and by a process of reciprocal action and reaction of the ire they will be reduced to ashes in no time. Suppose these two burning logs are kept asunder, they will be both extinguished. Suppose in two burning logs you sprinkle water on one and do not allow that log of wood to burn, the fire in the other also will be extinguished. That is the law of ire. That is a universal law equally applicable to fire of anger and hatred. That is the law applicable to armed warfares. We say that violent resistance to violence is the process of reciprocal action and reaction of the ire tending to mutilation, destruction and extinction of both. Non-violent resistance to violence is the process of utilising diverse forces tending to the preservation and safety of both. This is the truth which India is pointing out to the world

THE INDIAN FINANCE BILL

and the warring nations of the world today; this is the teaching which is being imparted by the great Mahatma Gandhi. This is the creed which the Indian National Congress has adopted. The force of non-violence is no doubt subtle but it is tremendously strong and you will see that in time to come it will show itself. It can destroy much more than the sword or the cannon, and the person who wields this force has to be cautious that it does not destroy more than necessary. This is also the advice given by the high thinkers of England also. England ought to forget her dark antiquity and be just to all nations; not to behave as they are doing in India today.

These are the circumstances in which I am speaking here today. I spoke for a pretty long time on this subject on the 16th November, 1940. It is not necessary for me, therefore, to repeat now what I said then. But I quoted then the statement made by a great sage of India and I will repeat it here again. While addressing the American people at San Francisco in 1894 he stated that Europe the centre of manifestation of material energy shall crumble to dust within the next 50 years if Europe did not change her position and make spirituality the basis of her life. Those 50 years are not yet over and Europe is actually crumbling into dust. I know of course that armed warfare may have its uses because the forces of matter and the forces of spirit have to go together sometimes. One is active at one time and the other may be active at another time. When this force of matter was used, as I said, in sheathing the sword of the middle ages, it was well and good. But when this force has become demoralised as when bombs are thrown on innocent people, poison gas used indiscriminately and people are destroyed, is that a force of arms which can be an adjunct to the force of materialism? Not at all. This force having been demoralised has become the force of a Satan and is now making room for another force to come. I want to emphasise that this former has to go willingly or otherwise. If it goes willingly it will save the world; but if unwilling to vacate the stage, circumstances will arise which will effect forcible exit much to its destruction and to the destruction of the people who happen to be under its charge.

Then, Sir, the Indian nation has declared that they must leave India.

The Honourable Sir Sultan Ahmed: The Home Member is leaving India.

Lala Sham Lal: I do not mean any disrespect to the Honourable the Home Member. I do not want him personally to leave India; I want him to remain if he can. But I am referring to the British Government which is asked to leave and will be forced to leave in time. The Resolution "Quit India" is one which stands and will stand. But I ask what is the illegality, what is the immorality in this 'Quit India' resolution which has been passed by the Indian Nation. When it is an express condition of the trust that the moment any Indian national party is fit to take over the Government of the country, British rule in India shall end and they shall have to leave India. Do they deny that trust condition? If not, then are they not committing a breach of trust? If the condition is that they are to hold India's trust for a specific purpose, are they not committing a breach of trust, are they not guilty of a serious crime of breach of trust?

Sir, it is quite true that India's nation demands British Government to quit India and supposing the British Government quits India today, the Indian nation has declared that they are responsible for the defence of their country. There is no fear whatsoever of any foreign aggression on this country. The fear of foreign aggression lies only so long as there is the British Government in this country. India has been the cause of trouble to many nations in the world. Through India many nations of the world have been trampled; through this Indian exploitation, England is enjoying a good deal of power all over the world and this has aroused rivalry in the various nations of Europe, particularly the nation in Germany. This rivalry will be set at rest if India gets freedom and if the British Government goes out and a National Government is established here. If that is done, surely that idea of rivalry will go at once. India says, 'Give us the power and you will see that a great step towards the subsiding of this war will take place all at once.' There is no fear of India being attacked by any other nation. That is the position which the Indian National

Dr. P. N. Banerjee: But does he do any . . .

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not go on interrupting.

Dr. Sir Zia Uddin Ahmad: Then Sir, the first Secretaries should be such persons who would take up the work in a missionary spirit. They must feel that it is their duty to feed the poor. In the third place, in any committees and associations representatives of consumers should also be appointed and, in fact, they should appoint persons who really do not share in the loot.

Fourthly, control the stocks. People should be permitted to keep a sufficient stock for one year for their personal use, but they should have a licence. They should declare their stock and the authorities concerned should know what stock there is in the district. I now state my further suggestions *seriatim*.

5. Expert stock experience.—The military people should not attempt to stock wheat and rice themselves. They should ask their contractors to stock for them. They are the people who are accustomed to it.

6. The purchasing authority should be one and not many and it should be the District Magistrates and no outside agents.

7. Rationing only in big towns and in industrial cities. In other places rationing is not necessary because we have enough of food.

8. The fixation of prices. That should not come before the control of stock. In my opinion, if the Finance Member agrees to fixing the price of the rupee as equivalent to one tola, it ought to be Rs. 5 a maund. This is the price which the then Commerce Member (the Dewan Bahadur) fixed two years ago and that is considered an economic price.

9. Distribution not necessarily through the old dealers, but we should have shops in every *mohalla* and quarter so that people can have easy access.

10. Supervision of the work by means of committees of consumers in whose interests the shops are opened.

11. This is very important.—The penalty of misuse should be very heavy, i.e., confiscation of stock or a penalty in proportion to the capital of the stocks.

12. Military supply and the supply to deficit areas should come under the control of the Central Government. They should purchase from the Provincial Governments and sell the various articles.

18. The motto should not only be "Use less food" but it ought to be "Grow more food".

We know that 45 per cent. of the culturable land is not under cultivation. That is a big amount, and out of this, 20 per cent. can come under cultivation immediately. Therefore, if you can bring such a large amount of land under cultivation, then it will certainly increase the stock. I could get the figures from the Director of Agriculture with the Government of India. If you could increase our production then many of our problems would be solved and it would require two things. One is that we assure the producers that we will purchase from them at fixed prices and we advance a little money on easy conditions. If we adopt this method then I think we will settle many of our difficulties.

As regards the propaganda for growing more food, I am glad that it is producing some results, because in the Aligarh University eight girls have taken up agriculture. They have done practical work in agriculture and they will be examined in agriculture in their annual examination. So that when the women-folk have taken up these things, it means that the people are now making an attempt to grow more food, but it is not being done on a larger scale and we ought to take steps to bring at least 20 per cent. of our culturable land under cultivation within a year or two; and lastly,

14. The Government should not make any profit from this food stock.—This is not their business. If there is a profit, it should go back to the cultivators as is done in South Africa. There the Government purchase; they have got the monopoly, but whatever profits they have they give back to the cultivators and do not keep anything for themselves.

As regards income-tax, there are two points I should like to mention. One is that I agree with Sir Chandavarkar that the minimum should be raised from Rs. 2,000 to, say, Rs. 3,000. My reason is this. You have fixed a limit for the dearness allowance. In the A class it is 3,000 a year; in the B class it is 2,400; in the C class it is 1,800. Your income-tax level will be good for all. Therefore it is really reasonable that you increase the income-tax level from 2,000 to, say, 3,000, and that will really be giving a dearness allowance in the right manner otherwise it means giving with one hand and taking away with the other.

Then there is the other thing on which Sir Chandavarkar and I agree, but on the second issue of it we will never agree. I have pressed that there ought to be an excess dividend tax, and that the maximum rate of dividends should be fixed by law. Double the bank rate of interest and make it 6, 7 or 9, but make it a law that no dividend should be more than 9 per cent. of the face value of the share and whatever extra there is in any company it must come in the shape of excess dividend tax to the Exchequer. I know the Finance Member would not agree on the ground that this practice has not been followed by any other country, but we should not always be a follower. We must take a lead in some cases, and I think that in this particular case we ought to take the lead and teach the other countries that this is the way of increasing the income. I would like to move this formally, if it is permissible. But I hope Sir John Sheehy will take note of this fact and will put it in as an amendment on behalf of the Government and not leave it to the Opposition Benches to move it. Such taxation proposals must come from the Government.

Sir Henry Richardson (Nominated Non-Official): Would you give a rebate below 9 per cent.?

Dr. Sir Zia Uddin Ahmad: No, no. The rest will come as income-tax.

I now come to roads. That is a thing which ought to be taken up carefully and ought to be considered scientifically. I am convinced in my mind that if we have two parallel roads, one for fast traffic and the other for slow, it will improve matters. Your life of the roads will be lengthened and in the long run your interest charges and depreciation will be much more than we get otherwise. I am of opinion that the question of roads should be taken up seriously. I once studied this problem, but I could not proceed for want of time. But I think it will be a paying proposition if we spent money on roads.

As regards broadcasting, I will not take it up now as I shall deal with it when the question of grants comes up.

I finish by saying that I support Sir F. E. James in his view that Government, whatever steps they take for reconstruction, ought to take the public into confidence. They should publish a small memoir and make the people realise what we are doing and then we should not wait till the war is over but a beginning should be made now and we should go ahead.

With these words I conclude.

Lala Sham Lal (Ambala Division: Non-Muhammadan): Mr. President, Sir, I rise to oppose the present Finance Bill. Once before in November 1940 when the Government presented a supplementary Finance Bill to this House the Congress Party came here to oppose that Bill. On that occasion we all resisted the taxes that were sought to be imposed by means of that Bill. That Bill was rejected twice by this House, but unfortunately it was made into law by a certificate from His Excellency the Viceroy and Governor General. Thus those taxes, then, were imposed against the wishes of the people and against the declared verdict of the representatives of the people in this Honourable House. In view of that result, the Congress Party who were observing the deadlock at that time, felt the decision of the Government very much and kept away from this House by way of protest for a long term of three years. The protest was not heeded; the aspirations of the people of India were not satisfied in any manner. When that supplementary Finance Bill was presented it was stated by the Government that if India was to play a worthy part for securing the victory of civilisation, more taxes had yet to come. On that occasion in my

THE INDIAN FINANCE BILL

I stated in detail in my speech on 16th November, 1940, and those remarks may as well be considered in relation to this Finance Bill also. But let me tell them that this is not a war of the nature that is generally considered. This is a war to the finish. Many other high thinkers are also thinking like that. This is a war between two forces, one of which has to go out and the other has to come in. This is a war underneath which a sort of crystallisation is taking place. We do not care whether Germany is winning at a particular time, we do not care whether the Allied Nations are winning at another time. When Germany was winning, of course, the Allied Nations were feeling bad, as it was quite natural. Now, when Germany is receding and is being defeated, of course the Allied Nations are feeling jubilant at the present time. It is equally natural. But there was no reason to feel bad when Germany was winning and there is no reason to be glad when Germany is being defeated. A crystallisation is going in underneath this war that is being fought now. It is that crystallisation that counts and for which India is looking forward and for which there have been great warnings by high thinkers. It is that crystallization for which history lies before us to teach a lesson. Now, Sir, before I refer to lessons of history, before I refer to the high advice given to nations from time to time by high thinkers of the world, I wish to point out what these two forces are. The two forces are always co-existent, one is the force of matter, the force of materialism and the other is the force of spirit, the force of the hand of God. Armed force is a necessary adjunct to the force of matter. But armed force does not find a place in the force of spirit. Armed warfare is to go on within certain limits, dependent upon the other force of the spirit, and whenever that armed warfare becomes demoralised and becomes oppressive and titanic, independent of the force of spirit, then that armed force has to be vacated. That is the lesson which history teaches us. This is also the advice which high thinkers have been giving to the nations of the world. Now, Sir, what does history teach us? History teaches us that whenever one force gets demoralised and the nation which represents that force which troubles the world then both should go. In the middle ages, when the so-called Islamic sword flashed from East to West and deluged the world with blood from the Pacific to the Atlantic, could Nature remain silent? No. Nature brought into being a force, the force of matter, the force of materialism and the European nations and the European countries were entrusted with the task of wielding that force and they did wield that force rightly for some time. The sword of the middle ages was sheathed and sheathed for ever, never to be seen again. Here you can say that the Islamic countries who wielded that sword not only sheathed the same, but fell slaves before this force and before European countries. Here lies the law 'whoever raises a sword shall perish by the sword' fully illustrated. Almost all human beings on earth were entrusted to the care of this force, to the care of the European countries. To England alone fell one-third share of the human race and England was called upon to take care of the people while building up that force. Now, Sir, what do we see? That force has become altogether independent of the force of spirit. That material force has now become injudicious in every particular with respect to every other country. That force is now being used for the exploitation of the weaker races. That, Sir, is the present day condition of England. That, Sir, was the condition of Islam in the middle ages when she was required to make room for the European nations, for a better culture. War was brought on at that time for a specific purpose, that is to sheathe the sword of Islam. Materialism, of course, brings on wars for specific purposes and when that purpose is fulfilled, that force has to vacate. This is how nature fulfills herself. This is what history teaches us. This is the lesson that we ought to take from history that lies before us. History has to repeat itself.

As regards this change of force that is now taking place under the stress of this war, under this tribulation, let me first refer to the high thinkers of Britain herself. So far back as 1843, the great sage poet of England, the Poet Laureate of England, Wordsworth, wrote then. He said:

'It is not to be thought of
That the flood of British

Freedom, which to the open
Eyes of worlds' praise from

[Lala Sham Lal.]

Congress has taken up, and that is the position which other representatives of the nation have declared on the floor of this House. Did they not demand a provisional national Government the other day by a Resolution in this House? What is this Government going to do about that resolution? Has not every association in India declared that this foreign Government must go? The other day I read in a Paper that Mr. Shyama Prasad Mukerjee while addressing a gathering of Hindus stated that foreign domination must go. Apart from this let me give an instance of a great sage of India who stated in 1890 that foreign Government, however good, is still a foreign Government which has to exploit the country and cannot, therefore, be good. This sage died in 1893. At that time the Government was going on smoothly, the people were contented, the Indian National Congress too had not taken birth, yet this sage of India warned the Indian people that a foreign government, however good that may be, has still to exploit India, and how true was the prophetic statement of that sage we can see for ourselves today. Every word is proving true. There is the demand of the Indian National Congress—and this demand has been iterated times without number, apart from the position taken up by the Congress now—then there are other representatives of people who are demanding a national Government in India. It is that national Government which will be in a position to solve questions in respect of war efforts and everything which concerns India, not this Government. These are the observations which I place before the House for their consideration.

Now, let me refer to my Honourable master, Mr. Jamnadas Mehta

An Honourable Member: Is he your master?

Lala Sham Lal: Yes, he is my master.

Mr. Jamnadas M. Mehta: I am everybody's servant.

Lala Sham Lal: Sir, he has expressed himself many times that he is after war efforts. I respect him that he is and he is conscientiously, but let me tell him that in view of the observations that I am making here, he may not be making a mistake—as my Honourable friend, Sir Muhammad Yamin Khan, made a mistake when the Defence of India Act was passed and for which he expressed repentance the other day. Let him be cautious, let him think it out in a serious mood and consider the observations that I am making. He is out for war efforts, that is all right. I am also out for war efforts. He is out to save India. Certainly he is, and I am too, but our methods are different. My master thinks in a different way than I do. By making war efforts and by making successful war efforts without first having the freedom of India in any way, he may not be making a mistake, as my Honourable friend, Sir Muhammad Yamin Khan, did, and he may not have to repent when the time for rebuilding India comes if at all it comes in this way.

Sardar Mangal Singh: Teach your master.

Lala Sham Lal: I can only give him advice, and I also address all such friends of mine who are of his way of thinking.

Mr. Jamnadas M. Mehta: What should I do?

Lala Sham Lal: Vote with us and that will show what the country wants. And now a few words to the Honourable the Home Member.

An Honourable Member: Wish you good luck!

Lala Sham Lal: Sir, the Home Member said the other day in a somewhat proud manner 'where is the deadlock, where is the standstill. Executive Councillors resigned, and Executive Councillors are working on the Treasury Benches. Everything in men, money and material is flowing to the Government'. And though he did not say in so many words, he might also be thinking as to where is the force in the Congress party, where is the force in the Congress party remaining outside when so many elected Members have been working this Assembly. Sir, I will only reply in brief to these points raised by the Honourable the Home Member, who is now leaving India. True, everything is flowing to the Government in men, money and material, but I ask is it flowing at the will of the Indian people. India is crying, as I have already

expressed, and yet by extortionate methods the resources of India are going to the Government to be used in this war measures which is to tighten the bonds of slavery still further. Everything is flowing to this Government to be used outside for the Allied nations and not for the defence of India. Can it be said that there is any moral foundation whatsoever in all this? Of course, Executive Councillors resign and Executive Councillors work on the Treasury Bench. True. But let me state before this House my view that during the 200 years regime in this country by the British, the vitality of the people has dwindled so much that they cannot resist unjust laws and unjust taxation. They have become impotent. They have not been able to realise what sacrifice means for the nationality of India. What to say of these Treasury Benches! What to say of these Councillors! Many more like them may be brought on these Benches, but I say is there any spirit of democracy to be found in them? Is there any moral foundation in their being here representing none, perhaps not even their own self?

As regards my Honourable colleagues who are working this constitution, and this Congress party keeping out, making protests and all that, and that should count for nothing, let me remind the Honourable the Home Member that these persons are as nationalist as the Congress Party themselves. Of course there is a little difference. Taking the analogy of two friendly birds sitting on the same tree—one who has seen the ways of the world and is calm and considerate: the other who is yet tasting the fruits thereof till he comes to the same state as the first. Let me repeat that these friends of mine who are working the constitution are as nationalist as the Congress and in some cases they are much more than the Congress members themselves. But time is not far when these Honourable colleagues of mine, if the flouting of the opinion of this House goes on like this, will be in a position in which the Congress stands.

Then a few words to the Honourable the Supply Member, Sir Ramaswami Mudaliar. It is unfortunate he is not here.

Dr. P. N. Banerjee: Your words will fall on vacant benches!

Lala Sham Lal: The Honourable the Supply Member is doing a disservice to the country. Since I have come as an elected Member to this House I have been seeing some bickerings going on between him and the elected Members of this House unlike other Executive Councillors. Personally I ought to censure such bickerings and I ought to censure also the irritation which the Honourable the Supply Member has been showing, but I say he is doing a disservice to the country in the manner in which he happens to be on the Treasury Benches. He is giving an occasion to this Government to mimic at the decision of the people. An instance of this happened when the Congress Party was administering the Provinces. A subordinate European officer was promoted to be a Governor over their heads. The Congress Government at that time out of their self-respect resented it and as a result the appointment of that subordinate European officer as Governor over their heads was avoided. Should I not ask the Honourable the Supply Member

Dr. P. N. Banerjee: Did he make the appointment?

Lala Sham Lal: Should I not ask the Honourable the Supply Member to create an atmosphere of goodwill amongst the people, to create an atmosphere whereby the people may repose confidence in him? When he was defeated in the election it showed that the people refused to place confidence in him. It was not, therefore, proper for him to come here and grace these Treasury Benches in order to give occasion to this Government that they may mimic at the decision made by the people. But if after doing that he came to grace these Benches that would have been far more honourable than as it is today and that is the reason that this bickering takes place between him and the honourable the elected Members of this House unlike the other Executive Councillors.

A few words now to the Honourable the Finance Member. The Honourable the Finance Member has found it his duty to present this Bill as he has stated in the opening lines of his speech. In the light of the statements which he made subsequently in that speech, it would have been better if he had added the word

[Lala Sham Lal.]

"painful" before the word "duty", and that would have been more satisfactory. But I take it from the whole of his speech he means painful duty. Any way the Honourable the Finance Member has discharged his duty. As a Member of the Government of India it was his duty to present this Bill. I do not grumble for that. If I were a Member of the Government of India like him I would have done likewise, but here comes a conflict of duties. I dealt with the law of conflicting duties in my speech on the 16th November, 1940. When this happens sometime, both duties have to be performed. I doubt not that the Honourable Sir Jeremy Raisman is a true Christian. He carries with him a creed. He carries with him his personality. His creed is to give to God what is God's and to give to Caesar what is Caesar's. Now he has given Caesar his dues. Now let him come forward to perform his duty to God. The vote that he carries belongs to his personality: it belongs to his conscience guided by his creed, not to Caesar. Therefore I ought to think that the Honourable Sir Jeremy Raisman should cast his vote on the popular side, if he is not capable of contradicting me and if he is not to go against his own faith.

In the end, Sir, before I close my speech I should say that my countrymen are to-day under the greatest misfortune. They are dying in large numbers. In the matter of food, in the matter of everything else they are put to trouble. My heart goes forth in sympathy with my countrymen. But there is reason for me to console myself with. There is reason for me not only to console myself with but also to console my countrymen. An ancient scripture of India lays down this:

"Aśad vṛtṭe tu nṛpataṁ akālā mṛiyate janaḥ."

When the government of any country goes eccentric, of course, people have to take to unnatural deaths. That is what that scripture says. I ask my countrymen who is responsible for that? Are they not responsible for it? Who called this Government over them? The people themselves. Who have been sustaining this Government over them ever since it came inspite of repeated warnings to the contrary? The people themselves. Are not the people responsible for it? If the Government becomes eccentric and if the people are put to all sorts of misfortune, all I have to say is that the people themselves are to blame. Sir, I oppose this Bill.

Mr. O. P. Lawson (Bengal: European): I should like to take this opportunity to get on record one or two points going beyond my Leader's speech the other day. In the first place, he made a reference to the necessity for reviewing various departments and their expenditure and seeing how this expenditure and these departments could be reorganised taking into account the changed circumstances of the war. I wish particularly to refer, in the remarks I have to make, to the two departments of Defence and War, and in particular, to Civil Defence which has now passed into the care of the Defence Department.

The House will remember that originally the Civil Defence Department was established as a sole portfolio. I should like to say at once that, although this Government gets condemnation for most things wrong, proved or unproved, they very seldom get congratulations for something that has turned out well. I would like to say right away that here at least the Government have put up an extremely good job of work. In two years they have produced in this country and, where it has been called upon to act, it has produced an efficient A. R. P. service. This department naturally started from zero and it started out with a very considerable expenditure. Looking at the budget I see that the revised estimate for 1942-43 came to about 6 crores, while in the year that we are just finishing we are expected to spend Rs. 5 crores on civil defence. The estimate shows a gressive reduction. But at the same time this is civil defence expenditure at the centre alone irrespective of what the provinces are doing and the expenditure is heavy. It is the duty of this House at the centre to suggest means whereby

not only that expenditure may be put to the best possible advantage, but whereby also the organisation of the department may be as economical as possible.

I am wondering, now that this department has ceased to be the sole concern of one Member and when its administration has passed into the Defence portfolio with other subjects, whether this move, which is evidently a correct move, has been considered in its full operation. For instance, we still have a Standing Committee of this House attached to what we might call a department within a department. The members of the Standing Committee appear to come generally from centres where air raids are quite out of the question. Their advice in the initial stages was undoubtedly valuable. The whole of India had to be organised for civil defence from the north-west to south-east corners, and there is no question that initially, the advice of all parts of India was extremely necessary. I have some doubts as to whether the same widespread advice is still necessary. I am inclined to think that we have now reached a pitch when the department might be more specialised and where the effort might be concentrated both in its areas and in its organisation. When I speak of concentration of effort, like my Honourable friend who has just spoken, I am inclined to refer to a speech that I made on the 10th March, 1942. On that occasion I said:

"Then, Sir, I rather question whether it is wise to distribute Air Raid Wardens over wide areas where they will work possibly by themselves. A very large percentage will see nothing of the raid. The rest will have too much to do and no one to help them. I rather favour the localising of technical help. I do not know how far it will be practicable, and I speak as a layman, but it seems to me that if you could have your technical air raid services in this country organised in certain well defined and self-contained centres, it might lead to more efficiency, in that it would give better leadership and the ability to go to isolated scenes of bombing, cordon off the area and deal with it."

That main idea is still at the back of my mind when I suggest that it might be well now to get the danger areas of this country concentrated and put into zones. I do not think that it is wise now to worry about widespread bombing in civil areas. I think the time has come to concentrate on the danger of target bombing. The kind of bombing that we are likely to expect naturally will be bombing of industrial areas, of docks, of railway centres and the like. I think that we are wasting a good deal of effort in organising the less dangerous areas, areas in which labour is not concentrated. There is also, of course, the question of division of responsibility. For instance, in Calcutta, the Calcutta municipal area comes under the Provincial Government and they have their own A. R. P. organisation. The port, on the other hand, comes under Port Trust authorities in direct communication with the Centre. The railways, I think I am right in saying, also have their own A. R. P. arrangements under the orders of the Centre. Now, when the Japanese begin to drop their bombs, they are not particular about being in one area or the other and sometimes they are callous enough to involve an area covered by the Central Government as well as one looked after by the Provincial Government, with the result, as we saw on the 5th December, that we experienced to some extent the disadvantages of divided control. The dock area, for instance, in Calcutta has not got its own hospitals and casualties occurring in the dock area have to be sent out of the dock area, in fact, out of the control of the Central Government into the control of the Provincial Government. I am not being flippant over this. I consider this to be an important matter and I think the time has come to reorganise this A. R. P. defence so that there are self-contained and unified A. R. P. commands to deal with areas that may come under bombing. (An Honourable Member: "Will you put it under the Military"?) I do not think I would put it under the Military, because when all is said and done the Military have their own job to do in circumstances like this. But when an air raid occurs I think that the senior A. R. P. commander, the person in charge of that particular zone of command, should be in a position to order his own units—ambulances, fire engines and everything else—just where he wants them and with that type of unified command to cover dock areas, railway stations, municipalities and the like, I think that a lot of the

[Mr. C. P. Lawson.]

dangers of divided control might thus be eliminated. At the same time it might be possible to effect thereby certain economies in personnel and consequently in expenditure. The expenditure of the Centre, of course, has very largely been on account of equipment and on account of money paid to provinces over and above a certain limit but I suppose a very large amount of the Central Budget's provision for civil defence in the last three years has been on account of equipment. It would be interesting to know just what has happened to all that equipment and whether it is now being concentrated in the danger areas or whether it is left, say, in the Punjab or the Central Provinces to go to "General Average". There is a lot of extremely useful stuff there and there is no reason why it should not be removed to the place where it is most likely to be used. So, Sir, my suggestion generally is that there should be a regrouping of danger areas and let us forget about A. R. P. in these other areas. I do not suggest forgetting about civil defence completely. I think that the civic guards that we established under this scheme have done infinite good and have been a most admirable production. But, now that we can expect target bombing rather than widespread mass bombing, should we not look mainly after the areas where bombing is likely to occur, where large numbers of labour are likely to be concentrated, where factories, railway stations and docks are liable to be the targets attacked—and suit our organisation to that particular purpose?

Now, Sir, while dealing with the Defence Department, I am afraid I must also make a reference to a totally different subject, the subject of requisitioning of civilian accommodation in Calcutta. I approach the subject with considerable reluctance because I feel that about such a matter it might be felt that we as civilians were lacking in the wish to help and to accommodate the service people who have come amongst us in Calcutta. The mere fact that this difficulty has arisen is the more regrettable in that it has to some extent introduced friction between the services and the civil population. It is only necessary to come to Calcutta from Delhi or to come to Delhi from Calcutta to notice the difference between the building that is going on in the two cities and by this I mean the temporary brick buildings to deal with the monsoon and at the same time to accommodate the large numbers of service personnel who have come to Calcutta. A year ago I addressed a letter to the Bengal Government on this subject and I asked for the information to be passed on to the Central Government who were then working their requisitioning through the medium of the Bengal Government. Perhaps I might quote a brief portion of this letter to illustrate my point. I then wrote:

"Any reliance upon finding further accommodation of this type would therefore be entirely misplaced. Taking for example the Alipore-Watgunge-Hastings area as a large representative residential area, the number of houses so far requisitioned is 80, and the etc., is 106. If the whole 106 were requisitioned and the occupants turned out on the streets, the space made available would still be small.

Approximately 50 per cent. of the male European population has already joined the Services either voluntarily or by conscription, and the remaining number has been concentrated in the remaining unrequisitioned houses. It is safe to say that the remaining Europeans who occupy these houses are almost without exception engaged in work which is essential to the war effort, and the women folk are also almost without exception assisting with nursing, canteen or other war work."

That was the position one year ago and we have only just heard from the Honourable the Defence Secretary that a building scheme for the accommodation of the troops on a somewhat larger scale has been sanctioned in Calcutta. So, Sir, while we have heard his announcement with considerable satisfaction, we have to add regretfully the rider that his announcement comes just one year too late. When we complain on our own behalf that this removal of our houses, our offices, and our godowns interrupts our work and makes things more difficult for us, we do not forget that it is not only bad for us, but bad for the troops to be accommodated in the type of accommodation which is requisitioned. Most of us on this side have known military service and we know perfectly well that the

accommodation of troops in ordinary civilian houses without furniture just divides them up. They have probably to walk miles for their food and their discipline is damaged by it. So, it is not merely on our own account that we suggest that there has been lack of foresight in not supplying proper accommodation to these troops but also on account of the troops themselves. I have been told that there has been a shortage of bricks, that there has been a shortage of coal to make the bricks and that there has been a shortage of transport to carry the bricks when they are made. Whenever I am told that, I look round in Delhi and wonder where they have got their bricks from. It seems odd to me that Calcutta, which is only some hundred miles from the coal fields, should be unable to produce its bricks or the coal to make its bricks, while Delhi, which is some 900 miles away, has been able to arrange in these last few years the most enormous building programme to accommodate the service people that have come here. We now have in Calcutta a Requisitioning Board functioning and they are doing their best. They are periodically told that they have got to help in accommodating so many troops, so many airmen and so on and so forth. Whenever this happens, there is one cry from the Requisitioning Board: "Give up your houses, give up your offices; give up your godowns." It is all they can say because they have nothing else to offer. The friction between the military and the civil which has resulted from all this is most unfortunate. I only hope that it is understood in the army that if we appear obstructive, it is merely because of the details regarding which I have already informed the House. In the area in which I live myself in Calcutta 80 houses have been requisitioned and 106 only remain. At the same time, I hope it will be equally clear that whatever our difficulties, we still welcome these service people into Calcutta and we shall do everything we can to assist in their accommodation. The only thing that we do ask is that the Government may take up the same attitude in assisting to supply some accommodation for them.

Now, Sir, I just want to make a brief reference, while I am on the subject of services, to the activities of military vehicles in Calcutta particularly and I gather in other cities too. I have heard it stated that in one of our larger cities the military lorry drivers have divided the civil population into two classes, the quick and the dead. The quick are evidently those who are quick enough to get out of the way. Something, I do hope, will be done by the military authorities to tone down the *joie de vivre* of the military driver. We are very glad to see it but it is possibly more useful on the battle-field than in a crowded thoroughfare. As a matter of interest, I have a few figures here from one of the chief sufferers, namely, the Calcutta Tramway Company. The Calcutta Tramway Company suffer rather badly because the trams cannot get out of the way. As a matter of interest, I may tell the House that during the last six months no less than Rs. 12,000 worth of damage has been done to the Calcutta trams. And, Sir, the compensation that has so far been paid by the military authorities is the princely sum of Rs. 45. As regards these accidents, 900 of them are the result of brushing against trams while overtaking; 31 cases have occurred where stationary trams have been mal-treated; 32 trams have been knocked out from front and 12 from the rear. Sir, as I have said, we are only too glad to have the service personnel with us, but we are wondering how long we shall be there to welcome them if these activities continue.

Now, Sir, may I turn to one other subject before I cease, and that is a subject which I must say I feel to be extremely important. It seems to me that we are approaching a very big offensive. The South-East Asia Command are getting busy and what appears likely to be a very big war is beginning. But in the matter of internal security in this country, we appear to be just drifting along as we did before and not worrying very much what information gets to the enemy and how he gets it. The other day I read in the paper that a man, I am sorry to say a Reverend gentleman of Bombay, was run in for indicating in an air-mail letter the sailing date of a steamer from Bombay. He was tried by a

[Mr. C. P. Lawson.]

Magistrate and fined Rs. 50. The Magistrate said that he was quite certain that this was no case of moral turpitude but merely of ignorance. Now, that was after five years of war. The Reverend gentleman, who must be relied upon to have spoken the truth, expressed ignorance that he was not allowed to write and tell people the sailing date of a steamer from Bombay. In other words, he did not realise that by that act a good ship and a good ship's crew might have gone to the bottom of the sea. Well, if he did not know, I suppose there are lots of other people in India who do not know either. And what has the Government done to tell them? What has the Information and Broadcasting Department done to tell them? Travelling about the United Kingdom, one is struck, I believe, by security slogans at every turn. You will be asked whether you think before you speak. You take up a telephone and you see

4 P.M.

a notice on it: "Is this telephone private?" I myself have taken an unintentional part in a triangular conversation on the Calcutta telephone system together with two officers of the services who were talking about the movement of troops. I do not really know the purport of what they were saying, because I did not listen to it. It might have been interesting; I might have repeated it; I might have been even an enemy agent. Sir, I have already raised this matter in another place and I sincerely hope that something is going to be done about it. We have heard stories in Calcutta during the raid times of mysterious people who rode round the docks on bicycles telling people that there was an air raid when there was not one. We had after the 5th December no less than three false alarms and the labour in the docks ran away each time. I am still asking what happened about those false alarms—how they started and what is being done to prevent a recurrence. Possibly for security reasons I have not been told; equally possibly, the reason is that there is nothing to tell. I think there should be some sort of system of rewards for getting information regarding such matters and I submit that the War Department and the Department of Information and Broadcasting should get together and work out a plan. I should like to see slogans, for instance, on letter heads of business firms: "Does this letter contain security information and if so, where are you going to file it?" I have to admit that in my own office, I discovered a book in which the arrival dates of steamers were quoted. We had to know when these steamers were arriving and the dates had to be posted in the ledger. But when the dates were posted, to my horror I found that that book was not locked up at night. In other words, it must be only too easy for an enemy agent in this country to find out a lot of very damaging information which may result in the loss of lives of many brave men. And, while it may not be possible for us entirely to eliminate the information that the enemy gets from this country, it should be possible for us to reduce it. The problem is a far greater problem than it is in the United Kingdom. The coastline is vast, the areas to be covered are vast and the illiterates who are equally able to pass on information are more difficult to get at. But because the problem is more difficult, there is little excuse for not making at least the same effort as is made in the United Kingdom; and as far as I can see, at present no effort is being made at all. So, Sir, I make this suggestion to the War Department, which I do not see represented on these Benches at the moment; I trust that the information will be conveyed to them, and if the Honourable the Leader of the House will very kindly bear this recommendation in mind, perhaps we may be able to get on to some more active plan and at least do all that, civilians can do to save the lives of the forces on the sea and on the land.

Mr. Jamnadas M. Mehta: Sir, last year when I addressed the House on the Finance Bill, I had submitted that India had made peak sacrifices by that day and that she could stand no more. I had hardly expected that within a few weeks, the accuracy of my observations would materialise. But unfortunately, it did happen that within a few short weeks, the country was ablaze with news of deaths, desolation and disease and destitution. Now, Sir, in

his Budget speech the Honourable the Finance Member has admitted that if this country is to be prevented from suffering an economic collapse, the Allies must bring articles which are so scarce in this country. I do not wish to say much more than this that a great deal of this misery, a great deal of this agony and even deaths could have been avoided if the Government of India had a policy from the very beginning of war. Unfortunately they had not got that policy. They do not even believe that such a policy was necessary. If anybody brought it to their notice, it was ignored as perhaps coming from a defeatist or a panicky person. It went on and went on until this tragedy of Bengal, Malabar, Travancore and Cochin and many other territories increasingly demonstrated to Government that although they were in possession, they did not know their charge. I do not wish to say that when they got up from their slumbers they did not try to remedy the situation. I shall, in due course, assess the value of the measures that Government have taken since they woke up to the necessity of averting the coming collapse which they did not foresee and would not be forewarned.

Before I pass on to the detailed discussion of the economic and political situation in the country, I wish to bring to the notice of the House that we are discussing this Finance Bill under three constitutional flaws. The Government are acting unconstitutionally in three or four ways. If they care for constitutional propriety in this House and if they have got any regard for the opinion of this House, they should take prompt measures to remedy this procedure. The first irregularity is the retention of ten crores in the ways and means side of the Budget, being the amount which the House has rejected during the discussion of the Railway Budget. I cannot imagine any constitutional Government which has placed a demand for grant before the House and that demand has resulted in the defeat of the Government still carrying on as if nothing had happened and still banking on these ten crores as part of their ways and means position. I think a little regard for constitutional proprieties would have saved the situation. The second flaw in the procedure of proceeding with the Finance Bill with an illegality and an irregularity in it is the retention of the contribution of 32 crores to the general revenues from the railway surplus of 52 crores of rupees. I have in my hand a report of the Railway Board on Indian Railways for 1942-43. On page 35, Appendix A is quoted the Resolution on the convention passed by this House on the 2nd March, 1943, and there the convention of 1924 is varied in particular respects. So far as the House by its own Resolution varied that convention, Government were strictly within their rights in proceeding according to that Resolution; but the House specifically said in sub-paragraph (4) that—

"For subsequent years and until the new convention is adopted by the Assembly the allocation of the surplus on commercial lines between the railway reserve and general revenues shall be decided each year on consideration of the needs of the railways and general revenues, the loss, if any, on strategic lines being recovered from general revenues."

The same Resolution by which you varied the convention of 1924 declared that the convention can be further varied each year by a Resolution of the kind that was passed on the 2nd March, 1943. That further Resolution has not been passed. I therefore submit that these 32 crores of credit taken to not been passed. I therefore submit that these 32 crores of credit taken to general revenues by the Finance Member is also *ultra vires*, at least highly irregular.

The third is that the amount of cuts which this House made both in the railway budget and on the demands on the general budget, to the extent that they were carried, will not be required by Government for their next year's budget purposes. Until the position is restored under the Government of India Act, 1919 and 1935, these cuts that the House has made stand effective and the Government's expenses to that extent stand reduced; and the Finance Department must not proceed on the footing that these items of expenditure are still required and they should tell the House that so much money is not required and therefore the corresponding amount of taxation is not needed, until the position is restored, as we fear and almost know that it will be restored. But a decent deference to the proprieties, legalities and

[Mr. Jamnadas M. Mehta.]

conventions of this House is at least called for from an irremovable executive who know that we can do nothing except express our judgment on the Government's methods. That is the position with regard to the Finance Bill; and in the light of what I have stated and the decision of the House Government should tell us what action they propose to take about the reduction of the additional taxation. I am sorry that no such action has been taken and Government have proceeded as if the votes of the House on the cut motions were a matter of no moment and could be ignored. A Government which is irremovable can do almost anything. The power and the authority behind them are so great that they can afford to treat the vote of the House with indifference and even with contempt. But if you have the strength of a giant I can legitimately ask you not to use it like a giant. There is such a thing as deference to public opinion.

The Honourable Sir Jeremy Raisman: Has the Honourable Member discovered what the regular practice is in regard to this kind of matter?

Mr. Jamnadas M. Mehta: The regular practice does not matter to me; if it is wrong it is wrong. My recollection is that when I was a Member of this House from 1924 to 1930 whenever cuts were made, before the Finance Bill began the Governor General either restored them or accepted them.

The Honourable Sir Jeremy Raisman: That is not in accordance with my information.

Mr. Jamnadas M. Mehta: I consulted Mr. Joshi the other day and he at least thought I was right. But it does not matter if the practice is wrong. It is quite clear to me that there cannot be any other practice except the one which I am stating, if there is any pretence of parliamentary Government in this country. The House having made the cuts you proceed on the footing that no cuts were made.

The Honourable Sir Jeremy Raisman: Is the Honourable Member referring to token cuts of the order of one rupee or a hundred rupees?

Mr. Jamnadas M. Mehta: I am referring to every cut. The travelling allowances of the Executive Council, for instance, have gone by the board. I am not worrying about the amount; but you have, according to the opinion and judgment of the House no need to take 82 crores credit to your general revenues. You cannot take 10 crores of rupees to your ways and means budget; you cannot use the other cuts as if they were not made, and your Finance Bill must stand amended accordingly if you wish to pay any regard to proprieties of a constitutional character.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

The Honourable Sir Jeremy Raisman: The Finance Bill itself is not affected. The only thing that may be affected is a certain estimated figure in the explanatory memorandum.

Mr. Jamnadas M. Mehta: I proceed on the footing that you wanted so much expenditure and . . .

The Honourable Sir Jeremy Raisman: Does the Honourable Member seriously suggest that in the course of the Budget discussion and before a final decision is taken with regard to cuts and so on, the taxation programme should be immediately modified?

Mr. Jamnadas M. Mehta: Yes. You cannot come to me and ask for 40 or 45 crores when we have said you do not need it. People have been telling us that this is a show.

An Honourable Member: But is not there a deficit?

Mr. Jamnadas M. Mehta: If that is so there is a definite way out of it. In that case the Finance Member should come and tell us that he will have to borrow 45 crores more. That is the only right way to rectify the situation, and not by disregarding our vote. I am saying this in the most friendly manner.

The Honourable Sir Jeremy Raisman: And I may tell my Honourable friend in the most friendly manner that the usual practice has been to review this at a later stage and announce the action taken in regard to the cuts.

Mr. Jamnadas M. Mehta: That is not correct; it is entirely wrong. Constitutionally it is wrong; if so it is bad. And there is no fun in continuing an error. I maintain that the right time to Government to announce their decision is before the Finance Bill is moved for consideration.

Before I proceed to the financial criticism of the Budget I wish, as I did last year, to mention some individual grievances, not of individual persons but on individual matters. The first is the demand of the insurance companies which was so powerfully voiced by my Honourable friend, Sir Vithal Chandavarkar, that the taxation on them to the extent of 63 pies in the rupee is likely to be a hardship. Insurance concerns are thrift institutions; there the citizen provides for his own and his family's future. They deserve encouragement and the taxation of these bodies to an extent until it becomes absolutely unprofitable for people to have policies in these companies is not a wise step. I personally think that the insurance companies are quite right in asking Government not to exceed 45 pies; but I do not wish to dogmatise and I wish to tell the Finance Member that wisdom lies in reviewing that imposition.

The second thing is that the grievances of the subordinate staff in all Government departments are still serious and are costing a great deal of misery to them and to their families. Whether it is the railway man, whether it is the postal employee, whether it is the mint worker, or an employee in Customs, Income-tax, Supply Department, Commerce Department, and all the rest of the subordinate staff in the employment of Government, they are all living from hand to mouth and are crushed between the nether stone of heavy taxation and the upper stones of meagre compensation for the extraordinary rise in the cost of living, and they deserve the utmost consideration at the hands of Government. The same thing is true of the staff of the Reserve Bank. The Honourable the Finance Member the other day, when I was talking about Key-punchers, informed me that he had already issued orders and I informed him that while he had done so, the orders had not been received. I am grateful to say that within 24 hours he has made up his mind and orders are now issued and to that extent the relief which he had kindly promised has now been vouchsafed, but with all that and with the dearness allowance which my Honourable friend, Sir Gurunath Bewoor, announced the other day, on examination and on assessing the value of these concessions, I am sorry to say that while I am grateful for small mercies—I never reject even a small indulgence when it is given in a kindly manner—the problem is not solved by this tinkering. If you adopt the policy by which the purchasing power of my wages is reduced to 1/3rd and then you give me 1/3rd of the compensation that is due, you may have done something quite generous from your point of view but I am not compensated for the extraordinary rise in the cost of living. I will give him only one example. The Honourable the War Transport Member announced the other day in reply to my cut motion for the meagreness of the dearness allowance to railwaymen that he will give one rupee in the 'C' zone to every person who was getting 8 rupees and will also increase the pay limit from 90 rupees to Rs. 125 and that the total cost of that would be about Rs. 80 lakhs. I notice that the next day that announcement did not even appear in the press. Whether it was prohibited I do not know, but when such announcements are made the Government should at least see that they are made as public as possible. But I think the fear of Government was that they should not appear to have yielded to agitators; though the announcement was made in response to a cut motion, they did not like that it should be published as such. And the fun of it is that as soon as the Honourable the War Transport Member gave one rupee and put that in one pocket of the railway worker in the C Zone, within a few days the Honourable the Finance Member came with a proposal to tax tea, coffee, betel-nuts, and tobacco and therefore the one rupee which the War Transport

[Mr. Jamnadas M. Mehta.]

Member had put into our pocket was immediately taken away by the other hand by this heavy taxation. So, we are as we were. One rupee is put into this pocket by one hand and taken away by the other. These things do cause misery, these things do cause discontent and, I think, therefore, the Government should reconsider their policy about the workers' compensation due to the extraordinary cost of living. They have not done so with any degree of generosity. What little they have done is done most reluctantly and the miseries of the workers are beyond all description. I have told this House that the children of the workers are not getting milk and I wish to tell the Honourable the Finance Member what the Government in England have done. I read the other day that the Government in England have not only made it necessary that every child should have milk and the price of milk should be within most reasonable limits but they have given a subsidy of thirteen million lbs.—what does it come to?—in order that the children of the poor may get free milk. I think some pint is the measure which every child must get within a certain period—one day or two days, I do not remember. If the man is poor, his children get free milk; if the man is not able to buy milk at cost price, that milk is subsidized and care is taken that no single individual shall have to see his children starving for want of milk in the whole of the United Kingdom.

The Honourable Sir Jeremy Raisman: That is in a country where you really tax tobacco.

Mr. Jamnadas M. Mehta: Tax us superior tobacco and I shall be with you. But do not kill the poor. Tax those ghouls and vampires who have taken, in the name of profit, the lives of millions of my countrymen and their countrymen. Tax them, but you have not the courage because these European business gentlemen will revolt. If you have the courage and they concur, I am with you. Tax them to the teeth until poor children get cheap milk.

The Honourable Sir Jeremy Raisman: In fairness to the European Group to which the Honourable Member pointed I should say that they have never raised any objection to taxation for war purposes, but my Honourable friend, I seem to remember, frequently has.

Mr. Jamnadas M. Mehta: If you can ever show that I will apologize hundred times. It is not possible. What I have opposed and I will continue to oppose is your regressive taxation and that point I shall develop as soon as I have finished with the requirements of working classes.

So, in these days of war, the British Government are subsidizing the milk supply of the children of the land to the extent of thirteen million pounds a year, which means that every Britisher gets a subsidy of four rupees roughly per year in the matter of milk alone. And here the rupee which you gave most reluctantly you took away by another hand. The contrast is simply astonishing and would be comic if it were not tragic in its consequence. Does he realize the result of these five years of extraordinary strain on the economic lives of the people? Does he realize the strain?

The Department of Education, Health and Lands has sent us a chart of the health conditions in this country, a country which is already living in such a low standard that you cannot imagine anything lower than that. That chart, which the Honourable Sir Jogendra Singh and his department have prepared and sent us, is a tell-tale document, and I have taken some figures out of that. One thing is simply amazing to me, and that is about the water supply of the whole country. You will be surprised that in Orissa people drink pure water to the extent of 1 per cent; 99 per cent. in Orissa drink contaminated water. In Bombay, which has the best record, 17 per cent. drink pure water; 83 per cent. of the people drink contaminated water with all the liability to diseases of all kinds and of the germs which destroy life or make it miserable while life is not extinct. In the whole of this country 95 per cent. of the people drink contaminated water. That is what I gather from the

figures given in the chart which the Honourable the Member for Education, Health and Lands sent us a few weeks ago. The expectation of life is 26 years in India against 66 in New Zealand and infant mortality is 160 per 1,000 born as against 40 in New Zealand. It is in such a country where Government have forced a further lowering of the standards of life to the extent of one-third of the pre-war existing miserable standards which kill for every man in New Zealand four men at least and which expose and condemn to disease and low vitality practically the entire population. This is the population of which, during the war, the Finance Member has reduced the standard for the large majority of the masses to one-third of the previous pre-war standard. I cannot tell you how grieved I am at the extraordinary position which has developed. It was not necessary; it could have been avoided; it can still be avoided and it must be avoided if, as you say, the economic collapse of this country is not to ensue very soon.

Sir, I have heard that the morale of the Indian troops on the various fronts is something which is magnificent. I have no doubt about that. I am grateful to these 20 lakhs of heroes who are protecting me. I am grateful to their families which must be suffering privations on account of the depredations of the Finance Member and the Railway Member. If you want to keep their morale high in the front, it is our bounden duty that the civil morale of their people must be kept equally high, because unless the home front is strong against propaganda from the enemy, these soldiers will feel anxious about their kith and kin. When the story reaches the soldiers that the betel-nut is taxed and that tea is taxed and that the poor man's tobacco is further taxed, I am sure there will go out a breath of agony from their mouths when they will begin to feel that their near and dear ones will have to go without tea, without betel-nuts and without a little bit of tobacco. How can you keep the civilian morale high in this way? And the civilian morale must be as high as the army morale in the interests of the war effort itself, in the interests of keeping our soldiers bent on destroying the enemy in the shortest possible time. I think the Government's taxation policy must be revised. I say to the Honourable the Finance Member that there is a Latin proverb which says that even if the heavens fall justice must be done. But the Honourable the Finance Member has altered it to say that even if the heavens fall, money must come. If I have the power which he has and if I want to take the money which is needed, I will take it much sooner without causing these hardships. But the way he is taking money, it is the easiest thing for a street urchin to collect this money. There is nothing of a standardised taxation according to canons of finance. Therefore, he is today unconsciously doing more harm to the war effort than the worst enemy of the war effort. What can these poor Congressmen do? They can come here and vote you down and the next day you can with a stroke of the pen say, 'I do not care a brass button what they do.'

The Honourable Sir Jeremy Raisman: You object that it is not done the next day.

Mr. Jamnadas M. Mehta: They tried to do it in 1942 and true to your creed to maintain law and order, no matter what else is maintained, you suppressed them within a twinkling of an eye.

Dr. P. N. Banerjee: No, they were not responsible. Don't hold them responsible.

Mr. Jamnadas M. Mehta: I will come to that in due course. I am not like an ostrich with my head in the sand. I am the true follower of the Mahatma in telling the truth. You can say, no, no. I will say, yes, yes. It is purely a sentimental demonstration that they are making. They know that in the country only a few months ago nobody supported them except the newspapers. The country by silent disapproval of the sabotage movement laid it low. But the Finance Member is their best friend. What the Congress sabotage movement could not do the Government of India have done and done it in a manner for which every day the remedy is becoming less and less. The Government's

[Mr. Jamnadas M. Mehta.]

power of taxation and ruthless and arbitrary manner in which that power has been used has resulted in this, that while some two years ago the poor and the intelligent sections of the community were interested in the war effort, now today their pre-occupation with the question of bread and butter, the sheer question of existence, mere human existence, has become such a problem that they have no time to think of the war. You have discredited your national war effort and your propaganda by your action in leaving people no time for thinking of war in the preoccupations of the hungry. That is the position about which I am telling you because I want that my country men should take more and more interest and active interest and real interest in the prosecution of the war till victory is achieved.

My friend, Mr. Sham Lal, very kindly avowed himself to be my pupil and very affectionately called me his master. It is something to have friends in those quarters after 10 years, and I am deeply grateful to him. In the Sanskrit literature it is said that a guru and the father should welcome defeat from the pupil and the son. '*Parajayam ichchhet shishyadapi putradapi*'. I wish my defeat from any chela if he really is, if he can convince me that when the enemy is knocking at the door, it is right, out of mere spite of the existing Government, to initiate a movement which is nothing short of sabotage. Tell me! I am telling you with equal affection with which you addressed me and you asked me to vote for you. I will vote with you a thousand times if you make it worth my voting. Your proposition must be votable in the interests of the country which will strike terror into the Japs and the Germans and not encourage them. If I have the slightest spark of patriotism in me I shall never do, no matter what the opposition, a single thing which will encourage the Japs to believe that I am waiting for my liberation from them. On the contrary, I shall fling myself, with all my weakness, in spite of my age, against them and kick them out of this country. That is what I want. But if my pupil wants me to be dragged into tactics which can only harm my country, the reasons which compelled me to separate from those Benches twelve years ago still continue.

Then, Sir, there are two or three little individual matters that I wish to refer to, before I turn to the question of taxation and the financial part of the Budget. There are hundreds and thousands of pensioners in this country. They retired in the hope that in the evening of their life they would lead a quiet, happy and contented life with the pensions which the Government was giving them. The financial policy of the Government and the war have made it impossible for these thousands of loyal servants of the Government to make both ends meet. But you are employing experts who have retired, on high salary retaining their pension, while to the pensioners you are not giving adequate relief. I know that some relief has been granted to persons getting pensions up to Rs. 40, and that shows that Government have still at the back of their mind humane instincts at least to some extent. I would like the Honourable the Finance Member and the Government of India to go a bit further and at least give to the pensioners up to Rs. 100, if not higher, something which will moderately compensate them for the rise in the cost of living. Think of the children they cannot educate. Think of the wives who go without clothes. Think of those old men who in the fifth year of the war might be struggling for their daily bread. These I can legitimately commend to the consideration of the Honourable the Finance Member.

I now turn to the various departments. The first department that I would like to take is that of the Honourable the Home Member. The Honourable the Home Member will not be here when the next budget is discussed and I wish to bid him a most affectionate farewell.

Dr. P. N. Banerjee: Very affectionate!

Mr. Jamnadas M. Mehta: I know that he has to carry out a policy, part of which may not be of his own making. He has never, I regret, responded to my call to punish the criminals of Nandurbar for having shot innocent children

dead. He has not often found it possible to respond to my appeal for relief to those who were innocent and yet had been involved in this sabotage repression. But I also know that if there are persons intellectually honest in this country, then Sir Reginald Maxwell is at the top. I am grateful to him. If he had not been the Home Secretary in Bombay in 1933, the funeral of late Mr. Vithalbhai J. Patel, the President of this Assembly, could not have been taken place in the magnificent manner in which it was possible to be done. There were people who wanted to go outside the police orders, and an order of the Chief Presidency Magistrate to stop the procession of that funeral was actually being issued. I was one of the members of the committee who were in charge of the funeral ceremony of the late Mr. V. J. Patel, and myself along with Mrs. Naidu and one or two more went to Mr. (as he then was) Maxwell, and told him that he should accept our word as against the news that he was getting, that there would be no difficulty in carrying out the orders of the police. The orders were based on the international law that the coffin of a dead body coming from a foreign country may not be opened and carried through the streets. The dead body must remain in the box. There was some fear that some enthusiastic admirers of the late Mr. V. J. Patel might want to carry his dead body in the streets open against the international convention regarding the same. The public were wondering what would happen, they were wondering whether the procession would be stopped. The order of the Chief Presidency Magistrate was almost signed, if not actually signed. At that moment we went to Sir Reginald Maxwell and requested him to believe us that we as a committee would be able to control the citizens of Bombay and that no attempt would be made to defy the orders of the police either as regard the opening of that coffin or the route of the procession. We told him that the only thing that we would do was to put up a portrait of Mr. V. J. Patel on the coffin in the bier so that the public might have a look at it while they could not look at the dead body, while in the cremation grounds the dead body would be exposed for six hours before it was cremated. On that verbal assurance of ours, Mr. Maxwell as he then was, permitted the procession. From that day till this, in spite of my serious differences of opinion with him on the various Ordinances, I have always felt and still feel that a more intellectually honest civil servant has not come to this country, and in his retirement I wish him all joy and rest. But before he goes I must tell him one or two things. One thing is that the Honourable the Home Member is never betrayed into any irritation while speaking in this House. That is one characteristic thing about him. Whether we are responsible or irresponsible, angry, irritated, demonstrative, noisy, he retains a quiet dignity. When addressing us and all the time he treats us as a parliamentary Opposition. But even he was betrayed the other day into making rather a disparaging statement about Honourable Members. He said that we were travelling luxuriously in the third class, while accepting a higher travelling allowance. That statement was not worthy of him. He was betrayed into it by noisy demonstrations here. But it came to me more as a sting, and he forgot himself, if at all, once, if only once. We do not get £600 salary which the members of Parliament get. We do not get first class travelling pass which members of Parliament get in order to go to their constituencies. We have to spend on elections any amount from Rs. 10,000 and sometimes more according to the purse of the man, and for a man without standing in public life it may even reach six figures. But Rs. 10,000 is quite the ordinary expenditure. We do not make, while we are here, even the interest on those Rs. 10,000. I tell him that what we get is not enough even to carry on as an efficient parliamentary member. A typist is needed; one or two telegrams daily have to be sent. You have to bring two servants, you have to incur in these days of heavy cost of living an extraordinary scale of expenditure. At that time to taunt us like that, that we were luxuriously travelling in third class!—I assure him that I do not travel in the third class. For my work first class is necessary. I can travel in goods train if there is no work. I am not a snob. But my work requires that I should travel in a first class and even that has become extremely difficult on account of the crowds of

LEGISLATIVE ASSEMBLY

Wednesday, 22nd March, 1944 .

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN:

Mr. Vishnu Sahay, I.C.S., M.L.A. (Government of India: Nominated Official).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS.

OUTBREAK OF EPIDEMICS IN MADRAS PRESIDENCY.

569. *Mr. K. S. Gupta: (a) Is the Secretary for Education, Health and Lands aware of the exceeding severity of plague, small-pox and cholera in the most populous and rich districts of the Madras Province?

(b) What are the weekly mortality statistics and the statistics relating to the above epidemics?

(c) Is it not a fact that the above epidemics are prevalent for months together without any signs of abatement?

Mr. J. D. Tyson: (a), (b) and (c). Plague has been prevalent in epidemic form mainly in the Coimbatore district which recorded in 1943 a mortality of 3,924 out of a provincial total of 4,475. Small-pox has been prevalent in all districts and the recorded mortality in 1943 was 6,536 as compared with an average of 3,119 in the previous five years. Cholera has been prevalent in severe epidemic form, the reported deaths in 1943 being 1,06,045 as compared with an average of 15,025 in the previous five years.

A statement giving figures of reported deaths from all causes and from plague, small-pox and cholera, separately, from January 1943 to January 1944 is laid on the table. Plague continues to be present in epidemic form only in the Coimbatore district. Smallpox continues at about the same level. Cholera incidence fluctuates but is lower at present than in the corresponding period in 1943.

Statement showing deaths month by month in the Madras Presidency in the year 1943 and January 1944.

Diseases.	January.	February.	March.	April.	May.	June.	July.
1. All causes	121,191	93,849	84,567	73,997	78,634	83,094	111,191
2. Small-pox	516	380	608	701	663	499	577
3. Plague	330	151	112	25	6	78	224
4. Cholera	23,538	10,966	5,150	2,642	2,659	4,045	18,529
5. Total of small-pox, plague and cholera.	24,384	11,497	5,870	3,368	3,328	4,622	19,330

Diseases.	August.	September.	October.	Novr.	Decr.	Total.	January 1944.
1. All causes	100,836	81,729	84,804	102,909	*		
2. Small pox	525	456	409	646	556	6,536	1,176
3. Plague	444	510	649	971	975	4,475	973
4. Cholera	11,814	2,695	3,550	9,116	11,341	106,045	7,845
5. Total of small-pox, plague and cholera.	12,783	3,661	4,608	10,733	12,872	117,056	9,994

*Figures not available.

(1387)

Dr. Sir Zia Uddin Ahmad: What are the causes of these epidemics, and what steps have the Government taken to remove the basic causes?

Mr. J. D. Tyson: So far as the steps taken are concerned, I think I am answering a question later. It is very difficult to say what are the causes of an epidemic. They may vary with different diseases. Mal-nutrition might be a contributory cause in the case of cholera, certainly.

OUTBREAK OF EPIDEMICS IN MADRAS PRESIDENCY

570. * Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state whether the plague prevalent in Coimbatore, Salem, Malabar and the Nilgiris is out of control?

(b) Is the Government of Madras practically helpless in the matter of fighting it? If so, what are the measures adopted by the Central Government to stem it? If none, why?

(c) Is it a fact that up-to-date methods of fighting it are not available?

(d) Is it not a fact that the existence of clusters of slums in the urban areas of the districts affected is the real cause of prevalence of the epidemic? If so, are there any attempts being made to clear such slums in the best interests of public health and national welfare?

(e) Are the Government of India contemplating to put through a comprehensive Housing Act on the lines of which every civilised country has done—Britain, Australia, France, Denmark, Belgium and so on? If not, why not?

Mr. J. D. Tyson: (a) There is no reason to suppose that plague is out of control in the districts mentioned.

(b) The answer to the first part of the question is in the negative. As regards the second part and third part the Central Government are assisting the Madras Government in the procurement of supplies of cyanogas.

(c) Information has recently been received that stocks of cyanogas are exhausted. Other methods of fighting plague are available.

(d) Plague is caused by infected rat fleas and slum conditions favour the spread of the disease. Slum clearance is a matter for which Provincial Governments are primarily responsible.

(e) No. Housing legislation is a matter for Provincial Governments.

OUTBREAK OF EPIDEMICS IN MADRAS PRESIDENCY

571. * Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state if it is not a fact that cholera is working havoc in many districts of the Madras Province for the last one year or more?

(b) Is it not a fact that cases of small-pox are reported in the month of January from week to week in almost all the districts of the Province except Ramnad and Trichinopoly?

(c) Have the Government of India taken sufficient care and precautionary measures to stem the tide of persistent and exceedingly severe epidemics of cholera and small-pox?

(d) Are timely inoculation and treatment being provided for all the people?

(e) Have they procured an adequate supply of the required quantity of Sera?

(f) How many persons are there who are competent to inoculate the people of the affected areas?

(g) What additions have been made to the materials and machinery necessary to tackle with the epidemic of cholera now afflicting the whole province?

Mr. J. D. Tyson: (a) Cholera has been widely prevalent in Madras during the past year.

(b) Cases of small-pox have been reported from all districts.

(c) Precautionary measures to prevent the spread of epidemics are primarily a matter for the Provincial Government.

(d) to (g). The Government of India understand that timely inoculation and treatment have been provided. Approximately 10 million persons were inoculated against cholera and about 4 millions were vaccinated in 1943, 1,300 members of the public health staff and 200 additional hands have been employed on inoculation and vaccination work, in addition to medical personnel in institutions and subsidised medical practitioners. It is understood that there has been no shortage of materials or equipment required for dealing with the cholera epidemic.

DESIRABILITY OF CHECKING DETERIORATION OF THE HEALTH AND STAMINA OF THE MASSES

572. * Mr. K. S. Gupta: (a) Will the Secretary for Education, Health and Lands please state whether the Government of India realise that cholera and small-pox have a tendency to become endemic due to the growing deterioration in the physical stamina of the nation?

(b) Is not the growing deterioration due to dangerous under-nourishment?

(c) Is not the under-nourishment due to uncooked and undercooked food which is due to shortage of fuel?

(d) Do the Government of India realise the urgency of the problems of food and shelter essential for national health and welfare? If so, what are the measures proposed to be adopted?

Mr. J. D. Tyson: (a) The factors which govern endemicity are not yet fully understood but deterioration in physical condition renders a person more liable to certain diseases, including cholera.

(b) In certain parts of India there has been a deterioration in the physical stamina of the people due to under-nourishment.

(c) Certain staple foods of the country, e.g., rice and millets lose some of their nutritive value if they are not properly cooked; but the extent to which the shortage of fuel is a contributory factor towards under-nourishment is not known.

(d) The reply to the first portion of this part of the question is in the affirmative. As regards the second portion I would refer the Honourable Member to the White Paper on the Food Position in India circulated to Members of the House during the last Session. The provision of shelter is a matter for Provincial Governments.

FIFTEEN-YEAR PLAN FOR ECONOMIC DEVELOPMENT

573. * Mr. K. S. Gupta: (a) Is the Honourable the Food Member aware of a fifteen-year plan of economic development proposed by leading industrialists to revolutionize living conditions in India?

(b) Is it a fact that a memorandum outlining the plan has been sent to the Government of India over the signature of Sir Purshotamdas Thakurdas, Mr. J. R. D. Tata, Mr. G. D. Birla and other industrialists and economists?

(c) Does it not contain three five-year plans viewed from the angle of national needs in the sphere of (i) food, (ii) clothing, (iii) housing, (iv) education, and (v) medical relief?

(d) Are the Government of India prepared to co-operate with the authors of such a plan, who are determined to raise the standard of life in India? If not, why not?

(e) Is not the establishment of a National Government at the Centre absolutely essential for the fullest measure of co-operation between the State and the masses of people of India?

(f) Are the Government of India prepared to place the memorandum of the fifteen-year plan prepared by the prominent industrialists before the General Policy Committee on Post-war Reconstruction at its next meeting in the near future?

The Honourable Sir Jwala Prasad Srivastava: (a) and (b). The Government have seen copies of the plan but no memorandum outlining the plan has been received by it.

- (c) The Honourable Member is presumably aware of the contents of the plan.
 (d) The Government of India will take into consideration the plan as well as any other suggestions which may be put forward for post-war development.
 (e) This is a matter of opinion, Sir.
 (f) Agenda for the next meeting of the General Policy Committee has not yet been settled.

Dr. Sir Zia Uddin Ahmad: Are the Government contemplating to take action on the lines suggested by Sir Frederick James in his speech in this House, the day before yesterday?

Mr. President (The Honourable Sir Abdur Rahim): Next question.

SCHEME OF EDUCATION BY THE EDUCATIONAL ADVISER TO THE GOVERNMENT OF INDIA.

574. *Mr. Amarendra Nath Chattopadhyaya: (a) Does the Secretary for Education, Health and Lands propose to distribute to the Members of the Assembly the scheme of Education made by the Educational Adviser to the Government of India for their study and circulate the scheme through newspapers for the information of the educated public?

(b) Has the Honourable Member received any other education scheme from institutions and public bodies not related with the Government institution? Have any of the different universities submitted any scheme for future education in India? Are Government ready to get such schemes from outsiders, private persons and institutions for comparative study before giving effect to the Education Adviser's scheme?

Mr. J. D. Tyson: (a) No, but six copies of the Report of the Central Advisory Board of Education based on the Memorandum of the Educational Adviser to the Government of India on Post-War Educational Development have been placed in the Library of the Legislature. Copies of the scheme have already been sent to the principal newspapers of this country.

(b) None. The Central Advisory Board invited the views of the Inter-University Board and the observations of that body and of the Indian Universities Conference were duly considered by the Central Advisory Board in formulating their final recommendations. Any scheme submitted by non-official bodies in this behalf will be considered on its own merit.

Mr. N. M. Joshi: May I ask whether the refusal of the Government of India to supply copies to the Members of the Legislature is due to their policy of economy or to the contempt which they feel for the Legislature?

Mr. J. D. Tyson: Certainly not the latter. I think it is in the interest of paper economy.

Mr. N. M. Joshi: May I ask whether the Government of India will consult the Legislature whether such economy is in the interest of the country?

Mr. Ananga Mohan Dam: How many copies were printed?

Mr. J. D. Tyson: Probably between 2,000 and 3,000.

Mr. N. M. Joshi: May I ask whether copies are available for sale?

Mr. J. D. Tyson: Yes, they are available at twelve annas per copy.

Mr. Ananga Mohan Dam: May I know how are they distributed?

Mr. J. D. Tyson: 160 copies of the report are given to newspapers and a large number of the copies have been distributed to Provinces and Indian States.

UNANI AND OTHER SYSTEMS AS PART OF SCHEME FOR IMPROVING MEDICAL HELP TO MASSES.

575. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Secretary for Education, Health and Lands be pleased to state if in the scheme for improving

the general medical help to the people of India, he has considered it advisable to accept *Unani*, Homœopathy and *Ayurvedic* systems of treatment to collaborate with Allopathic system?

(b) Has the Honourable Member made any scheme to implement other systems of treatment as collaborate with the allopathy system and with that in view, has arranged for State recognition of other systems? Does the Honourable Member propose to consider if Homœopathy might be accepted as a post-graduate study for medical students?

(c) Has the Honourable Member arranged for any research on medicines used by the *Ayurvedic* system and the *Unani* system on scientific basis by appointing or calling practitioners and scholars of the aforesaid systems for doing research work? If not, when would the Honourable Member come to a decision about accepting such systems as useful to Indian people and implementing them for getting facilities for treatment of the vast Indian population who cannot afford costly allopathic treatment?

(d) What is the number of physicians (allopathy) in different provinces and their ratio to the population of each Province? Does the Honourable Member consider the number sufficient for the purpose of coping with the number of patients in India? Is the Honourable Member aware of the fact that a vast population in India suffer and die without any treatment? If so, what arrangement is he making for improving this condition?

(e) Has the Honourable Member any idea of the number of passed licensed Doctors (physicians and surgeons, registered and unregistered) in India who have got Indian Degrees and European Degrees, and also the number of *Ayurvedic*, Homœopathic and *Unani* practitioners who are not licence-holders and registered practitioners?

(f) Is he aware that allopathic treatment has become too costly for the poverty stricken people of India and for the petty middle class people of India? If so, has the Honourable Member considered any scheme to get cheap treatment and cheap medicines for the aforesaid class of Indian people?

Mr. J. D. Tyson: (a) The question of future health development has been referred to a committee designated the Health Survey and Development Committee and the question to which the Honourable Member refers will fall within the scope of the Committee's inquiry.

(b) The answer to the first part of the question is in the negative. As regards the second part the matter is for consideration by the authorities of medical colleges and universities having medical faculties.

(c) The answer to the first part is in the negative but research on drugs not included in the British Pharmacopœia has been conducted over a number of years under the auspices of the Indian Research Fund Association. As regards the second part the question of providing medical facilities is a matter for Provincial Governments.

(d) A statement showing the number of registered medical practitioners in each Province is laid on the table. The number of doctors is insufficient to provide medical attendance and treatment for the whole population and it is a fact that many persons do not receive adequate treatment. The Government of India have appointed the Health Survey and Development Committee to review the present position and to make recommendations for future development.

(e) As regards registered medical practitioners the information available is contained in the statement laid on the table. Government have no information regarding the number of *Ayurvedic*, Homœopathic and *Unani* practitioners.

(f) It is a fact that the cost of treatment according to modern scientific medicine is beyond the means of a section of the population. The means by which medical treatment can be made available for those who are unable to pay for it is a matter which the Health Survey and Development Committee will consider.

Statement showing the number of registered medical practitioners in each province and their ratio to the population of the province.

1 Name of Province	2 Total number of Registered Medical Practitioners	3 Population (as shown in the Census report of 1941)	4 Population per doctor
Madras (including Coorg)	7,414	49,510,536	6,677
Bombay	8,760	20,849,840	2,380
Bengal	11,734	60,306,525	5,140
U. P.	3,883	55,020,617	14,170
Punjab (including Delhi)	4,180	29,336,758	7,019
Bihar	3,244	36,340,151	11,202
C. P. & Berar	1,038	16,813,584	16,198
Assam	1,411	10,204,733	7,232
N. W. F. P.	270*	3,038,067	11,252
Orissa	646	8,728,544	13,512
Sind	641	4,535,008	7,075
Other areas including Indian States—Ajmer, Merwara, Baluchistan and Panth Piploda	1,376†	94,279,824	68,518
	44,597	388,964,187	

*The figures are approximate.

†This includes 501 medical practitioners registered in Hyderabad and 875 registered in Mysore. Information in regard to other states is not available as there are no separate Medical Councils in them. Generally medical practitioners residing in states where there are no medical councils get themselves registered with the medical council of the nearest Province.

Mr. T. T. Krishnamachari: Will the Honourable Member give us some more details about this Health Survey and Development Committee, i.e., when it was appointed, what its personnel is, who its President is, etc.?

Mr. J. D. Tyson: It was appointed last October. The composition of the Committee and its purposes are described in a press *communiqué* published on the 18th October. It is very long and I do not think the Chair would wish me to read it out.

Mr. President (The Honourable Sir Abdur Rahim): No, the Honourable Member need not read it out.

Dr. Sir Zia Uddin Ahmad: Will the Honourable Member place a copy of the report in the Library of the House?

Mr. J. D. Tyson: There is no report yet; they are still sitting.

Dr. Sir Zia Uddin Ahmad: Will the Honourable Member place in the Library of the House any information that he has already issued to the press?

Mr. J. D. Tyson: A copy of the press *communiqué* about the setting up of the Committee will be placed on the table, if desired.

LEGISLATION FOR FREE MEDICAL TREATMENT OF MASSES

576. *Mr. Amarendra Nath Chattopadhyaya: (a) Is the Secretary for Education, Health and Lands aware of the proposed Bill in the British Parliament for free treatment of all people of the United Kingdom and getting them free medicines? If so, has he in his contemplation any such Bill for introduction in the Legislature at the Centre in India?

(b) Is it not possible for the Honourable Member to adumbrate such a scheme and place it before the Post-war Reconstruction Committee in charge of improvement of sanitation and health of India, and to introduce a Bill of this nature in the Legislature?

Mr. J. D. Tyson: (a) and (b). The Government of India have seen press reports of the scheme for reorganisation of the health services in the United

Kingdom. As the Honourable Member is aware, the Government of India have appointed a Committee, designated the Health Survey and Development Committee, to make proposals for the future development of the health services in India and that Committee will no doubt consider to what extent the United Kingdom scheme can and should be adopted in India.

Dr. Sir Zia Uddin Ahmad: What is the number of doctors per thousand of population in this country?

Mr. J. D. Tyson: There are 44,600 registered medical practitioners and the population as shown in the census report was approximately 389 million, and I leave it to my Honourable friend to work it out.

SCHEME FOR CONTROL OF PRICE AND DISTRIBUTION OF COAL, ETC.

577. *Mr. Amarendra Nath Chattopadhyaya: (a) Will the Honourable Member for Labour please state if it is a fact that a scheme for control of distribution and price control of coal and for encouragement of increase of output has been made? If so, will the Honourable Member be pleased to state and lay on the table as well a statement giving detail of the policy forming the background of this scheme?

(b) Is it a scheme which does away with the middlemen between colliery owners and actual consumers? If so, what are the advantages accruing in consequence of the scheme, and the disadvantages created by the scheme to the present coal suppliers?

(c) Why should a bonus be paid to collieries for excess raising of coal, or why should a commission of 0-4-0 be paid by collieries and consumers to any middleman when collieries can supply to consumers directly?

The Honourable Dr. B. R. Ambedkar: (a) Yes. A statement regarding the scheme, is placed on the table. The scheme consists of five parts: (a) an estimation of the monthly output of each colliery, (b) the formation of a Coal Control Board to advise Government on the working of the scheme, (c) the distribution of all output by Government at fixed prices, (d) the encouragement of production by the grant of bonuses on increased output free of Excess Profits Tax, and (e) control of mining operations. The intention behind the scheme is (i) to ensure that all the coal available is properly distributed at fair prices to the consumers who require it and (ii) to afford every encouragement to the maximum production of coal.

(b) No. The second part of the question does not arise.

(c) The bonus is paid to encourage production. The amount of the commission has not been fixed. It will be fixed by the Government of India. A middleman will only be employed if a colliery and consumers mutually agree that he should be employed.

COAL CONTROL SCHEME

BEING A SCHEME FOR THE CONTROL OF THE DISTRIBUTION AND PRICE OF COAL AND FOR ENCOURAGING INCREASED OUTPUT

The Scheme comprises five parts:—

- Estimation of the monthly output of each colliery.
- Coal Control Board.
- Distribution of all output by Government at fixed prices.
- Encouragement of production by grant of bonuses on increased output free of Excess Profits Tax.
- Control of Mining Operations.

NOTE:—Where Government is used in this Scheme it refers to the Government of India and it includes any officer to whom powers are delegated under the Scheme by the Government of India.

[22ND MAR. 1944]

(2) Senior Grade Clerks

Hindus

Muslims

Other communities

1939

1944

2

2

1 (Sikh)

1 (Sikh)

Total

3

3

ALLOWANCES OF DOCTORS AT THE JAMA MASJID DISPENSARY

†580. *Sardar Sant Singh: Will the Secretary for Education, Health and Lands please state how many allowances are attached to the posts of the two doctors posted at the Jama Masjid Dispensary, and what allowances are being drawn by the two doctors, respectively?

Mr. J. D. Tyson: Two allowances—one of Rs. 20 per mensem sanctioned by the Government of India for attendance on Government of India staff resident in Delhi; this allowance is drawn by the senior sub-assistant surgeon; the other Rs. 30 per mensem is paid by the Delhi Municipal Committee for anti-rabic work and is drawn by the junior sub-assistant surgeon.

QUININE PRODUCTION

†581. *Sardar Sant Singh: (a) Has the attention of the Secretary for Education, Health and Lands been drawn to the statement made by the Secretary of State for India, Mr. Amery, sometime back to the effect that "Quinine is produced in India" and supplies there are adequate?"

(b) In which parts of India is quinine grown, and under whose management?

(c) What was the total production of quinine during the years 1941, 1942 and 1943, and what was the consumption in the whole of India at the end of each of those three years?

Mr. J. D. Tyson: (a) Yes.

(b) In Bengal and Madras under the Provincial Governments.

(c) A statement giving the information so far as it is available is laid on the table.

Statement showing production and consumption of quinine in India during the three years 1940-41 to 1942-43.

Year.	Production (lbs.)	Consumption* (lbs.)
1940-41	86,453	135,694
1941-42	85,181	131,965
1942-43	118,550	121,691

*The figures represent the quantities issued by Provincial Governments from the stocks produced by them and by the Government of India from their reserve. Figures of consumption of quinine imported by the trade are not available, but it has been estimated that the normal total annual consumption of quinine in India is about 210,000 lbs.

POOR LIGHTING OF ROADS OF MINISTERIAL QUARTERS, NEW DELHI

†582. *Sardar Sant Singh: (a) Is the Secretary for Education, Health and Lands aware that most of the roads running round the quarters of the ministerial establishment of the Government of India in New Delhi are very badly lit, and that some of them have not a single light for hundreds of yards?

(b) Is it a fact that the roads round the Council Chamber, Secretariat, North Block and Viceregal Lodge and south of South Block are fairly well lighted?

(c) Why are not proper arrangements made to provide the ministerial establishment with one of the most essential civil amenities, viz., street lighting?

†Answer to this question laid on the table, the questioner being absent.

Mr. J. D. Tyson: (a) and (c). Owing to the serious shortage of electric lamp bulbs, the street lighting in all parts of Delhi has had to be reduced to a level which is apt to cause inconvenience.

(b) No.

REPRESENTATION OF DISTRIBUTORS ON CLOTH CONTROL BOARD

583. *Mr. Kailash Bihari Lall: Will the Honourable Member for Industries and Civil Supplies please state:

(a) why only two distributors were taken in the Cloth Control Board in comparison to more than twentyfive members from the millowners when distributors were equally important in the cloth trade;

(b) if it is a fact that even the two distributors who have been taken are not representatives of the Northern India trade;

(c) if the answer to (b) be in affirmative, whether he proposes to redress the grievances of the Northern India cloth traders;

(d) if he is aware that the Cloth Control Board does not attach any importance to the recommendations of the Distribution Sub-Committee of the Board, and that in more than one instance it has ignored the recommendations of the said Sub-Committee; and

(e) if the answer to (d) be in the affirmative, whether he proposes to intervene in the matter?

The Honourable Sir M. Azizul Huque: (a) The Textile Control Board is composed of 25 members, of whom 15 represent the Textile Industry and the remaining represent other interests, such as distributors, labour, etc. The Textile Control Board's functions are numerous, such as rationalisation of production with a view to increasing the output of cloth, fixation of prices, import of millstores and machinery, etc., and the distribution of cloth is only one of those important duties.

(b) The two members of the Board representing distributors, interests were recommended by the only organised body which claims to speak on behalf of dealers and merchants all over India, viz., the Federation of Indian Chambers of Commerce and Industry. For obvious reasons representation could not be given to each province or geographical area.

(c) Does not arise.

(d) No.

(e) Does not arise.

ANOMALOUS ALLOCATION OF PROFITS OF CLOTH DEALERS

584. *Mr. Kailash Bihari Lall: Will the Honourable Member for Industries and Civil Supplies please state:

(a) if it is a fact that the allocation of profit between dealers within 100 miles of the manufacturing centres and those beyond 100 miles under the Cloth Control Order has created an anomaly with regard to the profit of the commission agents;

(b) if it is a fact that cloth dealers of manufacturing centres are charging more than four per cent. over the ex-mill price, and that black market has been created; and

(c) if the answer to (b) be in the affirmative, whether Government propose to take steps against the malpractice?

The Honourable Sir M. Azizul Huque: (a) No.

(b) and (c). Government have received several vague allegations that their ceiling prices are being exceeded, but so far with no definite evidence. Where evidence is obtained that prices above the ceiling prices have been charged their intention is that the offenders will be prosecuted under the Defence of India Rules. They have already addressed all Provincial Governments and States in the matter.

A. Estimation of monthly output of each colliery.

A notification will be issued requiring all collieries to furnish to the Coal Commissioner by the 5th of each month—

- (a) a statement in such form as may be prescribed of the raisings, the despatches and the colliery consumption during the previous month. (Estimates are to be given when delay would be caused by waiting for information in regard to actual results);
- (b) an estimate of the raisings and colliery consumption for the month then current and for each of the succeeding three months.

B. Coal Control Board.

(1) There will be a Coal Control Board with the following membership:—

- (i) Two members nominated by the Indian Mining Association;
- (ii) One member nominated by the Indian Mining Federation;
- (iii) One member nominated by the Indian Colliery Owner's Association;
- (iv) One member nominated by the Central Provinces & Berar Mining Association;
- (v) Two nominated members to represent consumers—one each nominated by the Associated Chambers of Commerce and Federation of Indian Chambers of Commerce and Industry;
- (vi) One member nominated by the Indian Coal Merchants' Association, Jharia; and
- (vii) The Coal Commissioner, the Chief Mining Engineer and the Controller of Coal Distribution as *ex-officio* members.

(2) The Chairman of the Board will be nominated by Government and will have power himself to nominate a Chairman to preside at those meetings at which he is himself unable to preside.

(3) The functions of the Board will be to advise Government generally on matters connected with the working of the Scheme and in particular in respect of the matters falling under C(1) to (7) and "E" of the Scheme.

C. Distribution of all output by Government at fixed prices.

(1) Government will with effect from 1st April 1944 control the distribution of all coal, whether consigned by rail, despatched by road or stacked on Government account, at prices fixed by Government and such orders for distribution and fixation of prices will thereafter form the basis of contract between the colliery and each consumer of its coal.

(2) The price of all coal, hard coke and soft coke will, with effect from the same date, be fixed by a notification by Government on the advice of the Coal Commissioner.

(3) For "stacked coal" an additional sum over and above that paid for coal despatched by rail will be allowed.

(4) Government will as soon as arrangements to that end can be made issue to each colliery an order in regard to the distribution of its estimated output during the ensuing month. Where despatch to more than one consumer is included in such order, the priority of each of the consumers will be given in the order.

(5) Where a colliery has coal available for despatch in excess of the amount covered by its order or wagons are not available for despatch in accordance with the order, the colliery may, with the general or special permission of Government, stack such coal on Government account.

(6) Where coal is stacked on Government account, such coal shall be paid for at the fixed price determined under (2) plus the sum for stacking fixed under (3).

(7) It will be open to Government at any time to limit—

- (a) the quantity of coal to be stacked on Government account; and
- (b) the quantity of any particular description of coal or coke to be stacked on Government account.

NOTE.—It is not the intention of Government to stop the purchase of coal for stacking until the stocks of coal so stacked exceed 5 million tons, but the quantity of low grade coal may, if found necessary, be separately limited.

(8) If it is mutually agreed between a colliery and a consumer that a middle-man shall be employed, the amount of the commission to be paid to that middle-man by the colliery and by the consumer respectively shall be determined by Government as in C (2).

D. Encouragement of production by grant of bonuses on increased output free of Excess Profits Tax.

(1) The target for all coal despatched for sale or stacking under the orders of Government will be 22,500,000 tons.

(2) This 22,500,000 tons will be divided by Government into six-monthly target tonnages for each colliery undertaking.

(3) The bonuses will be paid six-monthly to each colliery undertaking on the excess of the tonnage disposed of under the orders of Government over the target tonnage for that colliery undertaking. The bonus will be calculated by adding together,

- (a) 10 per cent. to the price of the first 10 per cent. of such excess coal.
- (b) 20 per cent. to the price of excess coal over 10 per cent. but not over 20 per cent. and

(c) 25 per cent on the price of excess coal exceeding 20 per cent.

(4) The amount of this bonus will not be liable to Excess Profits Tax but will be liable to income tax.

STARRED QUESTIONS AND ANSWERS

- (5) A fund will be created by a cess on all coal and coke despatched under the orders of Government to meet the estimated cost of such bonuses.

NOTE.—It is proposed to fix the cess for the period from 1st April to 30th September 1944 at 4 annas per ton.

(6) If Government are satisfied that two or more colliery undertakings have conspired to increase output above the target tonnage of any undertaking by diverting labour and/or equipment from some other undertaking to the detriment of the output of such other undertaking with the object of increasing the total bonus payable by Government then Government at their sole discretion may withhold all bonus payments from all or any of the undertakings who in their opinion have so conspired.

E. Control of Mining Operations.

(1) Government already have power under the Defence of India Rules—

(i) to exercise control over any mine and make such changes in the methods of operating the mine or in the preparation of any coal or coke as they may consider necessary to increase the quantity or improve the quality of the coal or coke;

(ii) to requisition any mine or coke oven and require the owner to hand over all existing equipment, tools and plant in use for the working of the mine or oven to any other agency that Government may prescribe for the temporary operation of the mine;

(iii) to prohibit mining operations in any mine or part of a mine the production of any particular coal or the manufacture of coke or the opening of any new mine. Government is, however, prepared to state, as part of this Scheme, that Government will carefully consider, in cases where compensation is not payable under those rules, the grant of *ex-gratia* payments where it is established that any such orders cause loss to the mine-owner and that in each case or group of cases the Control Board will be consulted before orders in exercise of these powers are issued.

(2) Government will prohibit the opening of any new mine otherwise than with their concurrence. When an application to open a mine is received, they will, before issuing orders, consult the Control Board.

LEVY OF CESS ON COAL FOR BONUS FUND PURPOSES.

578. *Mr. Amarendra Nath Chattopadhyaya: Will the Honourable Member for Labour please state whether it is a fact that cess will be levied on coal for creating a fund to meet the bonus to be paid to collieries? Is it not a double tax on consumers?

The Honourable Dr. B. R. Ambedkar: The answer to the first part is that that is the intention. As regards the second point the imposition of the cess would mean in all probability a tax on consumers—but the bonus is itself for the benefit of consumers as tending to increase the production of coal which at present is insufficient for consumer's needs.

SENIOR CLERKS IN MEDICAL DEPARTMENT OF THE DELHI PROVINCE.

579. *Sardar Sant Singh: (a) Will the Secretary for Education, Health and Lands please state the total number of (i) senior, and (ii) senior grade clerks in the Medical Department of the Delhi Province as in the year 1939 and at present, showing at the same time the different communities to which the incumbents in 1939 and at present belong?

(b) If the communal representation shows a preponderance of Muslims what are the reasons for it and for the neglect of the interests of other communities?

(c) How many vacancies in the clerical grade occurred during the year 1943? How many of them were filled by Muslims, and how many by other communities?

Mr. J. D. Tyson: (a) A statement is placed on the table of the House.

(b) Does not arise.

(c) Six. Of these two were filled by Hindus, two by Muslims, and two remained vacant for want of suitable candidates.

Statement.	1939	1944
(1) Senior Clerks		1
Hindus	..	2
Muslims	..	..
Other communities	..	..
Total	..	3

†Answer to this question laid on the table, the questioner being absent.

LOWERING DOWN OF PRICES OF CLOTH TO BE MANUFACTURED.

585. *Mr. Kailash Bihari Lall: Will the Honourable Member for Industries and Civil Supplies please state:

(a) if it is a fact that Government are contemplating to lower down the price of cloth that will have been manufactured after the month of February, 1944; and

(b) if it is not a fact that under the contemplated move of Government, cloth manufactured before March, 1944, will be sold at a higher price?

The Honourable Sir M. Azizul Huque: (a) The ceiling prices for cloth packed in March 1944 or later or contracted for delivery in March 1944 or later has been reduced by 9 3/8 per cent.

(b) Possibly, as the statutory ceiling price of cloth packed or contracted for delivery in March or later is lower than that of cloth packed or contracted for delivery before March, but there is nothing to prevent any one from selling cloth below the ceiling prices.

Seth Yusuf Abdoola Haroon: Has the Honourable Member lowered these prices in consultation with the Finance Member?

The Honourable Sir M. Azizul Huque: I do not think it is necessary.

NEW TRADE CHANNELS FOR DISTRIBUTING CLOTH.

586. *Mr. Kailash Bihari Lall: Will the Honourable Member for Industries and Civil Supplies please state:

(a) if it is a fact that mills are opening retail depots and, in some cases, setting up new channels of trade for distributing cloth to the detriment of the normal trade channels; and

(b) if the answer to (a) above be in the affirmative, whether Government propose to take steps to safeguard the normal trade channels which were in existence before the Cloth Control Order came into force?

The Honourable Sir M. Azizul Huque: (a) and (b). Some mills have opened retail depots since the institution of the Cotton Cloth and Yarn (Control) Order in June, 1943. Government are not aware that this has had any detrimental effect on normal trade channels. In any case, Government's main concern is the well-being of the consumer, and Government have no intention of protecting trade channels where such protection would be to the consumer's detriment.

DEDUCTION FROM OVERTIME OF MUSLIM EMPLOYEES OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI, FOR FRIDAY PRAYERS.

587. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Labour Member be pleased to state whether it is a fact that one hour is deducted from the Overtime of the Muslim employees of the Government of India Press, New Delhi, who go on Friday to offer Friday Congregation Prayers?

(b) Is it a fact that previously no deduction was made for this one hour?

(c) Have Government considered the advisability of resuming the old practice or in the alternative to consider that one hour as a part of the casual leave or leave on average pay?

The Honourable Dr. B. R. Ambedkar: (a) Yes.

(b) Prior to 1931, no deduction was made, but this practice was irregular and was abolished.

(c) In view of the reply to part (b), the other questions do not arise. Under the Indian Factories Act, an employee is entitled to overtime for the hours worked in excess of the normal working hours fixed under the Act. In calculating overtime, prayer intervals are deducted from the total hours worked by the employee.

Seth Yusuf Abdoola Haroon: Does the Honourable Member know that this trouble has arisen because the Government of India have advanced the time by one hour?

The Honourable Dr. B. R. Ambedkar: I do not think so.

Seth Yusuf Abdoola Haroon: Does the Honourable Member suggest that prayer time can be changed because Government have changed their time?

The Honourable Dr. B. R. Ambedkar: It is not a question of prayer time being changed. The question relates to whether prayer time should be allowed as overtime work.

WAGES IN THE GOVERNMENT OF INDIA PRESS, NEW DELHI, FOR WORK ON SUNDAYS AND OTHER HOLIDAYS.

588. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Labour Member be pleased to state whether it is a fact that on the instructions of the Manager of the Government of India Press, New Delhi, employees come on Sundays and other festival holidays to cope with the urgent work of Government but after the day's work they are given only four hours' wages, but previously twelve hours' wages used to be paid to them?

(b) Have Government considered the advisability of resuming the old practice of paying twelve hours' charges to those who receive regular pay after working for eight hours on closed days, or at least increase four hours to eight hours?

The Honourable Dr. B. R. Ambedkar: (a) The reply to the first part of the question is in the affirmative. As regards the second part, in accordance with the Indian Factories Act, men working on Sundays are allowed, in lieu of a compensatory holiday, an extra payment for 4 hours' work, that is, their day's pay plus an additional 50 per cent. For attendance on other closed holidays, an additional 25 per cent. of their day's pay is allowed. Twelve hours' extra wages (that is, a day's pay plus 150 per cent.) instead of the 4 hours' permissible were paid by mistake some years ago.

(b) No.

NON-SUPPLY OF STOOLS TO LINO-MACHINE COOLIES.

589. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Labour Member be pleased to state if it is a fact that the coolies who are working Lino Machine, are not provided with stools and they have to keep standing throughout the day and that they submitted applications, but no attention has been paid to them?

(b) Is it a fact that the work of Barmen is taken from the Coolies and that the posts of Barmen have been abolished?

(c) Have Government considered the advisability of removing these grievances of the coolies?

The Honourable Dr. B. R. Ambedkar: (a) The coolies working Lino Type Machines do not really work standing. They are required to release obstructions in the distributor bar of the Lino machines, for which purpose they have to climb on Lino machines for attending to them. A stool would, therefore, be useless for the purpose of their duty. For resting, labourers usually sit on the floor.

(b) and (c). There are no posts of Barmen in the Government of India Presses and no such post ever existed in the New Delhi Press. The questions do not, therefore, arise.

SUPERSESSION OF CERTAIN BINDERS OF THE GOVERNMENT OF INDIA PRESS, NEW DELHI.

590. *Seth Yusuf Abdoola Haroon (on behalf of Qazi Muhammad Ahmad Kazmi): (a) Will the Honourable the Labour Member be pleased to state whether it is a fact that some Binders in the Government of India Press, New Delhi, were appointed after trial in the year 1935 and were confirmed in 1936? Delhi, were appointed after trial in the year 1935 and were confirmed in 1936?

(b) Were some more Binders appointed in 1936 and 1937 and were confirmed after 1937?

(c) Is it a fact that men who were appointed as mentioned in part (b) above have been allowed to supersede the men referred to in part (a), if so, why?

(d) If the answers to (a) and (b) are in the affirmative, is the Honourable Member prepared to examine the case and remove the dissatisfaction of the many of the affected staff, if not, why not?

The Honourable Dr. B. R. Ambedkar: The attention of the Honourable Member is invited to the reply given to his starred question No. 481 asked on the 17th March, 1944.

APPOINTMENT OF NON-INDIAN AS CONTROLLER OF RAW MATERIALS

591. ***Sir Abdul Halim Ghuznavi:** Will the Honourable Member for Industries and Civil Supplies please state:

(a) whether it is a fact that in the Textile Directorate an employee of Messrs. Greaves Cotton and Company has been appointed as Controller of Raw Materials;

(b) if the reply to (a) is in the affirmative, whether Government of India tried to find out a suitable Indian national to work as Controller of Raw Materials if not, why not; and

(c) whether it is a fact that this Controller of Raw Materials has decided that imports of dyes and chemicals should henceforth be confined to "accredited agents" of manufacturers in Britain and other countries and not to the various importing firms of this country?

The Honourable Sir M. Azizul Huque: (a) Mr. J. B. Greaves, senior partner of Messrs. Greaves Cotton Co., is Honorary Chief Controller of Raw Materials in the Office of the Textile Commissioner.

(b) Yes.

(c) No.

IMPORTS OF DYES AND CHEMICALS THROUGH BRITISH CONCERNS

592. ***Sir Abdul Halim Ghuznavi:** Will the Honourable the Commerce Member please state:

(a) whether it is a fact that the Government of India have decided to confine the imports of dyes and chemicals for the current season through only a limited number of British concerns;

(b) whether it is a fact that a quota of imports comprising of 90 per cent. of the total imports has been granted to one British concern; and

(c) if the reply to (b) is in the negative, the amount of quota given to each importer of dyes and chemicals in the country?

The Honourable Sir M. Azizul Huque: (a) No, except to some extent in the case of Zinc chloride and Hydrosulphite of Soda, in regard to which the Honourable Member's attention is invited to the replies given to starred questions Nos. 410 and 499.

(b) No.

(c) I regret that it is not in the public interest to disclose this information.

Dr. Sir Zia Uddin Ahmad: With regard to part (a) of the question, is it a fact that these are supplied through a limited number of British concerns?

The Honourable Sir M. Azizul Huque: No, Sir. There are a number of Indians on the list.

EXPORT OF BENZOL MANUFACTURED IN INDIA

593. ***Sir Abdul Halim Ghuznavi:** Will the Honourable the Commerce Member please state:

(a) whether it is a fact that a huge quantity of Benzol manufactured in India is exported from this country; if so, the quantity exported per month;

(b) whether it is a fact that this Benzol manufacture was undertaken in this country with original intention of utilising this as motor fuel in combination with petrol to meet the motor fuel shortage;

(c) if the answer to (a) is in the affirmative, how Government are managing the transports, both railway wagons and fuel tankers; and

(d) why this Benzol is not utilised in India as motor fuel and in the manufacture of Aniline, which is one of the essential ingredients to manufacture sulphanilamide group of drugs?

The Honourable Sir M. Azizul Huque: The question will be answered by my Honourable colleague, the Supply Member.

HIGH PRICE OF TEXTILES AT BARPETA

594. ***Mr. Ananga Mohan Dam:** Will the Honourable Member for Industries and Civil Supplies please state:

(a) whether his attention has been drawn to the Associated Press news published in the *Amrita Bazar Patrika* of the 7th March (Dak edition) regarding the high price of textiles at Barpeta, and to the fact that the fixing of prices by Government has not produced any result there; and

(b) the reasons for this state of affairs there?

The Honourable Sir M. Azizul Huque: (a) and (b). No, not until the notice of the question put by the Honourable Member was received. Government have no information as to whether these statements are correct in respect of Barpeta nor, if they are correct, what the reasons are for such a state of affairs.

Mr. Ananga Mohan Dam: Will the Government enquire about it?

The Honourable Sir M. Azizul Huque: Sir, it is extremely difficult in a vast country like India to go on enquiring as to whether a particular system has failed in a particular village or town, and in this case it is specially so because this is a matter which comes within the responsibility of the Provincial Government.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

Mr. Ananga Mohan Dam: But how is it that in Assam

Mr. President (The Honourable Sir Abdur Rahim): Next question.

REPORT ON EDUCATION BY EDUCATIONAL ADVISER TO THE GOVERNMENT OF INDIA

595. ***Mr. Ananga Mohan Dam:** (a) Will the Secretary for Education, Health and Lands please state whether the report on education by Mr. Sargeant, Educational Adviser to the Government of India, has been published in full? If so, when?

(b) Is the Honourable Member prepared to distribute free copies to the Members of the Central Legislature?

Mr. J. D. Tyson: (a) The report of the Central Advisory Board of Education on Post-War Educational Development, based on a Memorandum prepared by the Educational Adviser, was published on the 4th of March.

(b) No; but copies have been placed in the Library of the House.

Mr. N. M. Joshi: May I ask whether this Report will be placed on the table of the House?

Mr. J. D. Tyson: Sir, it is a very long report and if it is placed on the table of the House it will have to be printed in *extenso* in the proceedings of the House.

Mr. N. M. Joshi: May I ask if the Report is for sale?

Mr. J. D. Tyson: Two thousand copies have been put on sale at twelve annas a copy.

Sir F. E. James: Is the Honourable Member aware that this edition has been exhausted and that Honourable Members of this House and even Members of Government are not able to obtain it?

Mr. J. D. Tyson: Sir, I am not aware that it is out of print.

Mr. N. M. Joshi: May I ask whether the Government of India will re-print this Report?

Mr. J. D. Tyson: I hope so, Sir. I am all in favour of greatest possible publicity for it.

Mr. N. M. Joshi: I wonder.

RE-PRINT OF THE PAMPHLET "SCIENTIFIC EDUCATION AND RESEARCH IN RELATION TO NATIONAL WELFARE"

596. ***Mr. Ananga Mohan Dam:** Will the Honourable Member for Industries and Civil Supplies please state:

(a) how many copies of the pamphlet "Scientific Education and Research in relation to National Welfare" (a reprint from London publication) were printed by the Department of Industries and Civil Supplies;

(b) how they were distributed;

(c) why this pamphlet was not sent to the Members of the Central Legislature; and

(d) the purpose of printing this pamphlet?

The Honourable Sir M. Azizul Huque: (a) 500 copies have been printed so far. A further edition of 2,000 copies is being prepared for sale to the public.

(b) Copies have been distributed to Universities, Ministers or Directors of Industries in Provinces and to certain Indian States, various scientists, industrialists, educationists, Press, etc.

(c) Because of the prevailing acute shortage of paper of all kinds, distribution had to be strictly restricted.

(d) The pamphlet has been printed with the object of furthering the cause of industrial and scientific development of the country by making available information regarding how people's minds are working in the United Kingdom in the matter of scientific research to those interested in India.

Mr. N. M. Joshi: May I ask whether the Central Assembly is not included in the list of bodies which are supposed to be important in this country in the eyes of the Government of India?

The Honourable Sir M. Azizul Huque: It is not a fact, but I do not think that everyone is interested in scientific research. If there is any Member who is interested and wants a copy, I shall certainly see that he is supplied one.

Mr. N. M. Joshi: May I inform the Honourable Member that I am interested in scientific research?

The Honourable Sir M. Azizul Huque: If the Honourable Member writes to me, I will certainly supply him a copy.

UNITED STATES FOREIGN ECONOMIC ADMINISTRATOR AND PURCHASE OF COMMODITIES IN INDIA.

597. ***Mr. T. T. Krishnamachari:** Will the Honourable the Commerce Member please state:

(a) whether his attention has been drawn to a note appearing in the *Commerce* (Bombay), dated the 4th March, 1944, wherein it is stated that Mr. Leo T. Crowley, the United States Foreign Economic Administrator, recently stated that Missions have been sent to countries, amongst others, India, to expedite purchases and provide assistance, where required, to increase production;

(b) whether the local office of the United States Economic Administration has approached the Government of India, in order to implement the policy outlined by Mr. Leo T. Crowley; and

(c) if the answer to (b) is in the affirmative, the commodities in which the United States Foreign Economic Administration is interested?

The Honourable Sir M. Azizul Huque: The question will be answered by my Honourable colleague, the Supply Member.

DISCRETION TO REGISTRARS OF JOINT STOCK COMPANIES TO REFUSE INSPECTION, ETC., OF ACCOUNTS OF CERTAIN UNDERTAKINGS.

598. ***Mr. T. T. Krishnamachari:** Will the Honourable the Commerce Member please state:

(a) whether his attention has been drawn to a note appearing in *Capital*, dated, March 2, 1944, under the heading "Reports from Special Representatives" to the following effect:

"Registrars of Joint Stock Companies have been given discretion to refuse to allow inspection or grant copies of any accounts, reports or documents relating to electric supply, inland water transport, port, harbour or pier undertakings"; and

(b) whether the Government of India have taken any initiative in this matter and issued any instructions on these lines to Provincial Governments?

The Honourable Sir M. Azizul Huque: (a) Yes.

(b) The attention of the Honourable Member is invited to sub-rule (5) of rule 45-B of the Defence of India Rules as recently revised by Defence Department Notification No. 5-DC (2)/43, dated the 26th February, 1944, and published in the *Gazette of India* of the same date. It has not been considered necessary to issue any instructions to Provincial Governments so far.

Mr. T. T. Krishnamachari: With reference to the answer given to part (b) of my question, may I ask the Honourable Member why the Government of India have not taken any initiative in this matter?

The Honourable Sir M. Azizul Huque: The question has not arisen. The rules have been published and I take it they will be observed by every one concerned and, therefore, the question of initiative does not arise.

REVIEW OF WORK OF ECONOMIC ADVISER TO GOVERNMENT OF INDIA.

599. ***Mr. T. T. Krishnamachari:** (a) Will the Honourable the Commerce Member please state whether Government have had an opportunity of reviewing the work of the present holder of the post of Economic Adviser to Government in the light of the recommendations made by Professor Bowley and Mr. Robertson in 1934?

(b) What were the investigations that have been conducted by the Economic Adviser since he took office and how many reports of them were published?

(c) What are the new features introduced in the monthly survey of business conditions and in the *Annual Review of Trade in India* by the Economic Adviser?

(d) What are the departments of Government that make use of his services?

(e) Is the Consultative Committee of Economists a suggestion that emanated from him?

(f) Is he employed on a contract basis? If so, when does the term of the present contract expire?

The Honourable Sir M. Azizul Huque: (a) Government see no reason for any such review.

(b) It is not possible to give a list of the investigations conducted by the Economic Adviser. A large number of them are of a confidential nature and some of them were carried out in collaboration with others. The Office of the Economic Adviser has so far issued four publications, in addition to the *Monthly Survey of Business Conditions* and the *Annual Review of Trade*.

(c) The statistical and other information contained in these publications has been amplified in several respects. It is not practicable to summarise briefly the numerous changes which have been made.

(d) Departments of the Government of India requiring expert advice on economic and cognate matters have availed themselves of the Economic Adviser's services.

(e) The Consultative Committee of Economists was set up by Government.

(f) Yes. His present contract expires in January 1947.

Mr. T. T. Krishnamachari: With reference to part (d) of my question, does the department concerned ask the Commerce Department for the services of the Economic Adviser?

The Honourable Sir M. Azizul Huque: That is entirely a departmental matter. But the real position is that many Departments of Government in the present circumstances of economic upheaval in the world do require the advice of the Economic Adviser and his advice is always available to the different Departments concerned.

Sir Vithal N. Chandavarkar: May I ask the Honourable Member whether the Consultative Committee of Economists is functioning, and if so, when was the last meeting held?

The Honourable Sir M. Azizul Huque: It is still functioning. It was called two months ago and it is proposed to hold a meeting very soon.

Mr. T. T. Krishnamachari: May I ask the Honourable Member whether he feels justified in ignoring the basis of appointment of the Economic Adviser and whether he will take an early opportunity of examining the work done by the present holder of the post in the light of the recommendations made by Professor Bowley and Mr. Robertson in 1934?

The Honourable Sir M. Azizul Huque: I am not aware of the recommendations of Professor Bowley and Mr. Robertson. But I feel that so far as the Economic Adviser's work is concerned he has more than enough for the time being. When the necessity arises, certainly the whole question will be reviewed.

Mr. T. T. Krishnamachari: Since the Honourable Member himself referred me to the recommendations of Professor Bowley and Mr. Robertson, may I ask whether the Honourable Member is really unaware of the recommendations made by these two distinguished economists?

The Honourable Sir M. Azizul Huque: No, Sir. I myself gave evidence before that Committee.

Mr. T. T. Krishnamachari: Is the Honourable Member then merely a sort of post office communicating the views of his Department to this House?

The Honourable Sir M. Azizul Huque: That does not require any answer from me.

SCARCITY OF SALT AT BARPETA.

600. ***Mr. Ananga Mohan Dam:** Will the Honourable the Food Member please state:

(a) whether his attention has been drawn to the Associated Press news published on page 4 of the *Amrita Bazar Patrika* of the 7th March (Dak edition) regarding scarcity of salt at Barpeta and sale of salt at one rupee a seer and scarcity of kerosene oil; and

(b) what the Government of India propose to do to prevent the recurrence of such shortage in future?

The Honourable Sir Jwala Prasad Srivastava: (a) Yes, Sir.

(b) As regards salt, local movements from neighbouring districts are in hand, and the position is improving.

As regards kerosene, there is a shortage all over the country as its supply is restricted to 50 per cent. of the volume of sales in 1941. Efforts are being made to get additional imports of kerosene.

UNSTARRED QUESTIONS AND ANSWERS.

PRICE CONTROLLED ARTICLES.

150. **Mr. T. S. Avinashilingam Chettiar:** Will the Honourable Member for Industries and Civil Supplies please state:

(a) the name and the number of articles on which price control has been exercised;

(b) the maximum amount of profits allowed on those articles in fixing prices;

(c) in fixing the prices of articles what percentages of profits have been allowed; and

(d) whether Government contemplate controlling of any other article; if so, what those articles are?

The Honourable Sir M. Azizul Huque: (a) A statement showing the names of articles which are subject to price control (statutory and informal) by the Department of Industries and Civil Supplies is placed on the table of the House.

(b) and (c). The margin of profit varies in each case and has, as far as possible, been fixed in consultation with the Trade or Industry concerned.

(d) Government's intention is to bring progressively as many articles as possible under specific control.

Statement showing certain articles prices of which have been controlled.

1. Certain varieties of naper.

2. Shellac.

3. Drugs and medicines except Ayurvedic and Unani.

4. Scheduled Radio Sets.
5. Matches.
6. Coffee.
7. Kerosene Oil.
8. Motor Spirits.
9. Cotton cloth and yarn manufactured in India.
10. Hydrosulphide of Soda.
11. Zinc Chloride.
12. Millstools such as Bobbins, Shuttles, healds, Reeds, Card clothing, etc.
13. Certain brands of cigarettes.
14. Certain brands of Wines and liquors.
15. Certain Brands of Boot-polishes.
16. Certain brands of Razor Blades.
17. Photographic materials.
18. Bicycles and cycle parts of certain makes.
19. Arms and ammunition.
20. Fountain pens of certain makes.
21. Leather and hides.
22. Japanese Staple Fibre yarn and Japanese Artificial Silk Yarn of Certain varieties.
23. Sports Goods: -Playing cards (American, Caravan), Pedal Cars for children (English), Roller Skates (American) Steel Expanders (English), Meccano Sets and Hornby Trains (English), Football Bladders (English), Tennis Balls, Golf Balls, Ping Pong Balls, and Squash Balls.
24. Watches, clock, time-pieces, their parts and tools.
25. Imported books, magazines and periodicals.
26. Motor vehicles and spare parts.

IMPORT OF ESSENTIAL ARTICLES FROM BRITAIN.

151. **Mr. T. S. Avinashilingam Chettiar:** Will the Honourable the Commerce Member please state:

(a) whether, in view of the availability of shipping space, what articles have been imported into India from Britain, and to what extent, in the last six months;

(b) whether these articles are being sent with any understanding between the Government of India and England; and

(c) whether, in view of the smallness of shipping space available, Government propose getting only such things as are necessary and essential; and if so, what the things are that they are getting?

The Honourable Sir M. Azizul Huque: (a) A list showing the principal classes of goods imported from the United Kingdom during the period July-December 1943 is laid on the table. I regret that it is not in the public interest to disclose the actual quantities imported during the period.

(b) Six-monthly programmes of India's requirements are drawn up by the Government of India and forwarded to His Majesty's Government. Within the limits of availability of supplies and of shipping tonnage, shipments are arranged in accordance with these programmes.

(c) Subject to availability of supplies, only such classes of goods are imported as are in essential demand in this country.

The second portion of the question is covered by the reply to part (a).

List containing names of the principal categories of articles imported from the United Kingdom during the period July-December, 1943.

1. Chemicals.
2. Electrical machinery, goods accessories and fittings.
3. Machinery, e.g., Jute machinery and parts, Pumping machinery, Rubber manufacturing machinery, Tea machinery, Cotton Textile machinery, Locomotive parts and spares and boiler parts.
4. Metals and Ores.
5. Other miscellaneous industrial requirements, e.g., Crucibles, Miscellaneous Accessories, nuts, bolts, rivets, nails and tacks, etc.
6. Paper, e.g., Packing and wrapping paper, Currency Note paper, Printing paper and tissue paper.
7. Consumer goods, e.g., Cycles and cycle parts, Drugs, medicines, Glass and Glassware, other miscellaneous hardware, paints, photographic goods, stationery and toilet requisites.

CONTINUOUS AND INTERMITTENT WORKERS ON EAST INDIAN AND NORTH WESTERN RAILWAYS.

152. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Labour please state:

(a) the number of employees on the East Indian and North Western Railways, separately, classed as continuous and intermittent workers under the Hours of Employment Regulations, 1931; and

(b) if it is a fact that wages for overtime earned by the workers under those regulations have not been paid to them?

The Honourable Dr. B. R. Ambedkar: (a) The information upto the year 1940-41 is given in the annual reports of the Conciliation Officer (Railways) and Supervisor of Railway Labour on the working of the Hours of Employment Regulations on Railways. These are available in the Library of the House. The number of employees classed as 'continuous' and 'intermittent' on the East Indian and North Western Railways during the year 1941-42 was:

	Continuous	Intermittent
East Indian Railway	66,172	13,468
North Western Railway.	56,316	13,215

The information for the year 1942-43 is not available.

(b) The Government of India are not aware of any cases where overtime earned by the workers has not been paid to them.

INCOME AND EXPENDITURE OF SHAHDARA-DELHI MUNICIPALITY.

153. **Mr. Muhammad Azhar Ali:** Will the Secretary for Education, Health and Lands please lay on the table of this Honourable House a statement of the incomes (giving their source or Heads) and the expenditure (under each Head) for the preceding three years of the Shahdara Municipality, Delhi Province? If not, why not?

Mr. J. D. Tyson: The information has been called for and a reply will be furnished to the House when it is received.

FOODGRAIN MARKETS FOR SHAHDARA-DELHI.

154. **Mr. Muhammad Azhar Ali:** Will the Honourable Member for Food please state the names of markets or *mundis* in the surrounding rural area from where the Shahdara Town gets its supplies of foodgrains?

The Honourable Sir Jwala Prasad Srivastava: With the exception of Delhi there are no regular markets or *mundis* in the neighbourhood of Shahdara. Shahdara itself is a market, to which the produce of the neighbourhood is brought for sale. As regards foodstuffs and articles not locally obtainable, permits are issued to cover export of these commodities from Delhi.

DESIRABILITY OF INCREASING ELECTED ELEMENT IN SHAHDARA-DELHI MUNICIPALITY.

155. **Mr. Muhammad Azhar Ali:** Will the Secretary for Education, Health and Lands please state:

(a) if it is a fact that in the new Constitution of Shahdara-Delhi Municipality the number of nominated Members will be six and the number of elected Members will be four;

(b) the principle or criterion on which the percentage of nominated and elected Members is based; and

(c) whether Government now propose to increase the number of elected Members by decreasing the number of nominated Members; if not, the reasons therefor?

Mr. J. D. Tyson: The information has been called for and a reply will be furnished to the House when it is received.

DESIRABILITY OF A HIGH SCHOOL FOR SHAHDARA-DELHI.

156. **Mr. Muhammad Azhar Ali:** Will the Secretary for Education, Health and Lands please state:

(a) the arrangements made by Government for the education of the civil population at Shahdara-Delhi in standards higher than the eighths; if no arrange-

ments have been made as yet, the reasons therefor, and whether Government propose to establish a High School there in the next financial year or thereafter; if not, why not;

(b) the arrangements made by Government with the Railway Authorities for the conveyance of students from Shahdara to Delhi by morning trains during the summer; if no arrangement has been made, the reasons therefor; and whether Government propose to arrange with the Railway Authorities for stopping morning trains at Shahdara for the conveyance of girl and boy students reading in schools at Delhi in standards higher than the eighths; if not, why not?

Mr. J. D. Tyson: (a) The question of opening a High School in Shahdara is engaging the attention of the Local Administration.

(b) None; Government do not propose to approach the Railway authorities in the matter as they are advised that the proposal is impracticable.

AMENDMENTS TO THE INSURANCE RULES.

The Honourable Sir M. Azizul Huque (Commerce Member): Sir, I lay on the table a copy of Notification No. 597-I(4)/43, dated the 12th February, 1944, re amendments to the Insurance Rules, 1939.

DEPARTMENT OF COMMERCE

NOTIFICATION

INSURANCE

Simla, the 12th February, 1944

No. 597-I (4)/43.—In exercise of the powers conferred by sub-sections (1) and (2) of section 114 of the Insurance Act, 1938 (IV of 1938), the Central Government is pleased to direct that the following further amendments shall be made in the Insurance Rules, 1939, the same having been previously published as required by sub-section (1) of the said section, namely:—

1. In the said Rules for sub-rule (3) of rule 10, the following shall be substituted, namely, "(3) The Bank shall publish as soon as may be after the 1st January in each year in such manner as the Central Government may direct a list in Form IV of deposits made with it under the Act, as at 31st December, of the preceding year".

2. In the Forms set out in the Schedule annexed to the said Rules, for Form IV, the following Form shall be substituted, namely,

"FORM IV.

(See Rule 10.)

List of deposits under the insurance Act, 1938, held in the custody of the Reserve Bank of India on the 31st December 19

Name of Depositor.	Loan or nature of deposits.	Amount.	Total face value.	Cash.	Total book value of securities and cash.

S. R. ZAMAN, Joint Secy.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE SUPPLY DEPARTMENT.

The Honourable Dewan Bahadur Sir A. Ramaswami Mudaliar (Supply Member): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year 1944-45."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year 1944-45."

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, my Party has not been taking any part in the elections to this Committee, and we have always urged and we want to place it on record even now that until the

[Sir Muhammad Yamin Khan.]

Parties who have got the greater following in the country take up the responsibility of the Government, we cannot take any part in any Committee which is connected with the war. We think that the war is not properly conducted and it can never be until those who have the larger following in the country take up the reins of Government. Therefore, Sir, I am sorry to announce that my Party will not take part in any of these Committees at all.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects with which the Department of Supply is concerned, during the financial year 1944-45." The motion was adopted.

ELECTION OF MEMBERS TO THE DEFENCE CONSULTATIVE COMMITTEE.

Mr. C. M. Trivedi (Secretary, War Department): Sir, I move:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official Members to serve on the Defence Consultative Committee for the financial year 1944-45."

Mr. President (The Honourable Sir Abdur Rahim): Motion moved:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official Members to serve on the Defence Consultative Committee for the financial year 1944-45."

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): My remarks as regards this Committee are the same as on the Supply Committee, with a little addition that the appointment of this Committee is an absolute waste of time, and economy should be effected by not setting up this Committee at all. It is merely an eye-wash. It has done nothing and will do nothing, and I want to ask the Honourable Member who has moved it to tell this House what action this Committee has taken, on what matters their advice has been taken and on what matters connected with the defence of India this Committee has been consulted and on how many occasions. Since the Committee elected by this House has not been properly treated, it is no use keeping it at all.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): There is no arguing about tastes and, therefore, I do not mind my Honourable friend, Sir Yamin Khan, criticising the election to the Defence Consultative Committee. In the first place, as he himself has never taken part in its work, he cannot know what the Committee is doing. Therefore, his statement that the Committee is doing nothing...

Sir Muhammad Yamin Khan: I have asked him to tell us.

Mr. Jamnadas M. Mehta: You don't know. Without knowing what the Committee is doing he talks of wasting public money when he wasted the time of the House on the Delhi University Bill.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member ought not to refer to anything that is not before the House.

Mr. Jamnadas M. Mehta: I am illustrating.

Mr. President (The Honourable Sir Abdur Rahim): You cannot illustrate like that.

Mr. Jamnadas M. Mehta: There have been instances in the past when my Honourable friend had swallowed camels from the point of view of public economy and now he is straining at the gnat. After all, the Defence Consultative Committee is one of the Committees of the House. It is nothing more nor less, and since my friend is thoroughly ignorant of what it is doing, let me tell him that the recent announcement of the Commander-in-Chief raising the salaries of Indian soldiers is decisive and primarily due to the debates in the Defence Consultative Committee. It is going to cost Rs. 9 crores. Well that is what we have given to the Indian soldier who is fighting for the freedom of this country and when you are sulking in your tent. It does not lie in your mouth to talk ignorantly when 20 lakhs of my countrymen are fighting to keep you secure. We members of the Consultative Committee also fought to get the soldiers' family some

more monetary compensation during these hard times. If we did that alone we would deserve the thanks of this House. I can say honestly that this Committee consists of men who take genuine interest in defence. Its name shows that it is a consultative committee. We have no share in starting or maintaining a campaign against the Japs. If we were asked, we would not understand it. Therefore, it is better that the authorities do not ask this of us. Otherwise we would give away secrets in ignorance which might be of use to the enemy. But we do discuss in the Committee everything that can make the people acquainted with what the war is, how it is going on, how it should be conducted on broad principles. I honestly tell my friends that I bring to bear what little intelligence, common sense and patriotism that God may have given me; and I do wish that the House will unanimously elect this Committee and that even my friend, Sir Yamin Khan, will give me his vote if I stand.

Mr. Abdul Qaiyum (North-West Frontier Province: General): My Honourable friend, Sir Muhammad Yamin Khan, put a direct question to the Government Member responsible for moving this motion. Sir Yamin Khan was speaking on behalf of a party which has a very large following in this country, and he was entitled to get a reply from the Honourable Member who moved that this Committee be set up.

Mr. President (The Honourable Sir Abdur Rahim): He may yet get a reply!

Mr. Abdul Qaiyum: I want to make the position of my Party clear. Mr. Mehta got up and started defending the Government. Well, he is entitled to his own views.

Mr. Jamnadas M. Mehta: I am a member of the Committee. So I am bound to defend myself when attacked.

Mr. Abdul Qaiyum: But you do not belong to any particular party. You are an unattached Member.

Mr. Jamnadas M. Mehta: I belong to the people.

Mr. Abdul Qaiyum: On behalf of the Congress Party I wish to state that it is high time that these ornamental committees were scrapped. After all, defence is a matter in which the Government of India is flouting the wishes of the people. The manner in which they are carrying on the defence of this country is resented and strongly objected to by the Congress, by the Muslim League Party, and by all other nationalist elements in this country. When the majority of elected Members on this side of the House demand that such ornamental committees—which involve a mere waste of public money—(they may afford employment to some people, or some people may exercise their debating talent)—are not required, it is the duty of the Government to pay respectful attention to the wishes of the people who represent the millions in this country. They cannot just go on setting up such ornamental committees and lean upon independent, solitary Members to support such committees which they set up. On behalf of the Congress Party I associate myself with the remarks of Sir Muhammad Yamin Khan, and we demand that this useless, worthless committee should be scrapped. The country does not want it. The Government have got their national war fronts and so on, which can afford employment to those who wish to show their debating ability, but the House is not interested, almost the entire elected portion of the House, is not interested in the setting up of this Committee.

Mr. N. M. Joshi (Nominated Non-Official): The remarks which my Honourable friend, Sir Muhammad Yamin Khan, made has done one good. It compelled my Honourable friend, Mr. Jamnadas Mehta, to give this House some information regarding the work done by a committee appointed by this House. I am sure Mr. Jamnadas Mehta will agree with me that if the members of this committee insist upon a report being made to the Legislature of the work which they do on these committees, the House will be in a better position to judge of the work which the committees do. It would not have been necessary for my Honourable friend, Mr. Jamnadas Mehta, to speak so loudly and so vehemently in defence of the committee, if he had insisted that a report of the work should be made. I know that the Government of India has not got much respect for this Legislature. They want committees to be appointed,

[Mr. N. M. Joshi.]

and I am in favour that the Legislature should remain in touch with the details of the administration through committees appointed by the Legislature. But I think I shall be justified in saying that this Legislature cannot hold itself responsible for the work which the committees do unless the committees make a report to the Legislature. I, therefore, feel that the Government of India should give up their practice of showing disrespect to the Legislature and not telling the Legislature what a committee of the Legislature does. I, therefore, propose to the members of the Committee that they should insist—I also propose to the Legislature that they should insist, that these committees should make a report to the Legislature. I am a member of one or two committees. I do not see that 90 per cent. of the work which comes before the Legislature need be kept confidential at all. Therefore, a report can be made, but I feel and feel very strongly that the Government of India is deliberately showing disrespect to the Legislature. I shall give you one illustration which has taken place only this morning. The Honourable the Labour Member placed a scheme regarding coal control on the table of the House this morning. Before that scheme was placed on the table of the House, that scheme was published in the newspapers this morning. I want to ask Government whether a practice of this kind is not showing disrespect to this House. The reply was published in the papers before it was given in the Legislature.

Mr. President (The Honourable Sir Abdur Rahim): Was it in reply to any question?

Mr. N. M. Joshi: That scheme was placed on the table of the House this morning, but that had been published in this morning's newspapers.

Mr. President (The Honourable Sir Abdur Rahim): But that was not in reply to any question.

Mr. N. M. Joshi: That was in reply to a question.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member, I think, is making a mistake.

Mr. N. M. Joshi: But the scheme was placed on the table of the House.

Mr. President (The Honourable Sir Abdur Rahim): I know but it was not in reply to a question asked.

Mr. N. M. Joshi: A question had been asked. However, I leave it to you whether the dignity of the Legislature is maintained under a practice of this kind. Personally, I do not think that it is right on the part of the Government to publish matter in advance before it is placed on the table of the Legislature.

Mr. President (The Honourable Sir Abdur Rahim): Is it the suggestion of the Honourable Member that any scheme or any other matter ought not to be so published before a question had been answered in this House with reference to it?

Mr. N. M. Joshi: With reference to this scheme, it was with reference to a question. The Government of India had ten days notice of the question and that scheme was prepared in reply to that question.

Some Members on the Treasury Benches: No, no.

Mr. N. M. Joshi: I say, yes. I will suggest to you to read the question and see what has been done.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is raising a question as regards the privilege of this House. I am not satisfied so far that any such privilege has been violated or any disrespect has been shown in this particular matter.

Mr. N. M. Joshi: It is a matter of opinion. I am quite sure that your opinion in this House must prevail and not mine. I, therefore, feel that the Government of India should give up their practice of not telling the House what these committees do. They should prepare a report and submit that report to the Legislature.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has said that more than once.

ELECTION OF MEMBERS TO DEFENCE CONSULTATIVE COMMITTEE

1411

Mr. N. M. Joshi: I also suggest that the Government of India should distribute copies of the report to the Members of the Legislature. They are incurring enough expenditure and a large expenditure over other matters. They publish copies of reports and distribute them to all people in the world, but their sense of economy suddenly becomes active only when copies of these reports are to be circulated to Members of the Legislature.

Sir F. E. James (Madras: European): As far as the attitude of my friends of the Congress Party is concerned to this or any other committee connected with the war, it is understandable. They have declared their policy in this House of taking no part in war activities, of being disinterested in the war, and indeed of doing all they can to obstruct those who are assisting in its prosecution. Therefore, the Leader of the Opposition cannot be expected to show any particular interest in the election of this Defence Consultative Committee. I come to my Honourable friend, the Secretary of the Muslim League Party. I was sorry to hear him express the view that this Committee was a complete waste of time. I can assure my Honourable friend, who is a member and an esteemed colleague of mine on other committees, that the work of the Defence Consultative Committee is not a waste of time. When, however, my Honourable friend asked for information, I think he was justified. I can now tell the House that more than a fortnight ago, as a member of this committee, I requested the Secretary of the War Department, when moving this particular motion, to make some reference to the work which this committee has done during the past year. I very much regret that he did not accept my advice on that occasion. I hope in future he will arrange with His Excellency the Commander-in-Chief that this House shall be supplied with information as to the work of this Committee in the course of the year. This House is supplied with copies of the proceedings of the Standing Finance Committee for Railways, of the General Standing Finance Committee, and of the Central Advisory Council for Railways. There is, therefore, no reason why the House should not, similarly be informed as to the proceedings of what I regard as one of the most important committees at this juncture. I may say that this committee has been consulted on a large number of matters. It has tendered advice, most of which, I am glad to say, has been accepted and it is certainly unfortunate that this House is not in possession of some of the information which is made available to the members of the Defence Consultative Committee. I, therefore, hope that in future this procedure will be adopted and that the House will be given a report each year on the activities of the committee, to which it is now being asked to elect its representatives.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Sir, I am not in the habit of taking any part when motions of committees are made and I had no desire to take any part in the discussion of this motion. But the remarks of my friend, the Deputy Leader of the Congress Party, compel me to say a few words. He said that these committees, especially this committee, are ornamental bodies. Now, I may be pardoned for pointing out that this committee has done substantial work. Let me say that I had been to the Middle East, and when I went there I mixed with all the ranks and officers. As a matter of fact, some of the members who accompanied me, whether elected or nominated, must have observed that several times hundreds of people clustered round the members—both the ranks and the officers. At a particular place, when I was held up for over two hours in a gathering with the officers and ranks, the military officer used to come and tell me 'Mr. Deshmukh, you are much behind the schedule time'. I said 'If you like, you can go ahead and I will catch you at the last point at which you have fixed up the engagements. But I must speak to these people. There has been nobody who has talked to them'. At one place we were with the ranks and officers for about two hours and I addressed gatherings at different places. I have been very particular in getting information. As a result of the information I had collected in the months of May and June, I had given notice of a Resolution which

[Mr. Govind V. Deshmukh.]

embodied all the complaints but unfortunately I was not favoured by the ballot box. 101 complaints were made to me and as a result of that I was enabled to put lot of questions in this House. The first thing I came to know, and which the House probably does not know, is that the Indian soldier is worse paid than the Somalis, the Soudanese, the Afrikander and so on. The Soudanese are paid Rs. 75 per month and our soldier was paid barely Rs. 18. We kicked up a row and as a result of that and putting questions and so on, the pay has been increased to Rs. 37. We would not have been able to do this if we were not on this committee and these would not have come to light. Where are our men compared to these men? There were 101 complaints even as regards racial discrimination. I had mentioned them in my Resolution.

Sardar Mangal Singh (East Punjab: Sikh): What is the basic pay of the Indian soldier? Does the allowance make up this Rs. 37?

Mr. Govind V. Deshmukh: You want to know the basic pay?

Sardar Mangal Singh: The basic pay is Rs. 18. The allowances have been raised.

Mr. Govind V. Deshmukh: What I am saying is that, taking the total, the Indian soldier is now getting more than what he used to get.

Sardar Mangal Singh: These are temporary allowances.

Mr. Govind V. Deshmukh: May be. As a result of our discussion and pressing the claims of the Indian soldier, they are now getting more. We were told that this could not be done, that there were financial difficulties and so on but when we insistently pointed out that the Somali soldier was paid Rs. 75 and asked why the Indian soldier should be paid Rs. 20 or so, conditions have been improved now. I mixed with all sorts of people among the ranks and the officers. There are educated men in the ranks and among officers. They felt this inequality in pay and racial discrimination that was shown between them and other officers. I do not wish to take up much of the time of the House but we found racial discrimination in conditions of service, entertainment, recreations and so on, and I made all sorts of suggestions and all these suggestions were put in a long Resolution.

Sir Muhammad Yamin Khan: And not accepted?

Mr. Govind V. Deshmukh: As a matter of fact, the Resolution was not favoured by the ballot. I asked several Members also to send in similar Resolutions so that it may get a place at the top but unfortunately the ballot did not favour it. I am glad to find that some of the suggestions have been accepted and I was given assurances that steps will be taken to see that no racial discrimination was observed, because we found out that not even the Indian King's Commissioned officers were respected by the British Commissioned officers. That fact was also brought to the notice of the authorities, because the officers felt it very much. I was assured that instructions would be issued to see that there was no racial discrimination. We took a very intelligent interest in the affairs

Sir Muhammad Yamin Khan: Why do you say 'we'?

Mr. Govind V. Deshmukh: I mean that I could not have gone but for the Committee which was appointed. If there would have been no committee, we would not have gone there and we would not have had any opportunity to examine these things and suggest remedies. I had mentioned all the grievances in my Resolution. Therefore, I submit that a committee like this is very useful. I had also said that publicity should be given to what we do. As a matter of fact, the proceedings of the National Defence Council get more publicity than those of the Defence Consultative Committee. I brought it to the notice of the Member in charge. In the newspapers not a word is mentioned about the meetings of the Defence Consultative Committee and its proceedings. I agree

with my friend Mr. N. M. Joshi that some publicity should be given to what transpires in the meetings.

Sardar Mangal Singh: Take their film next time!

Mr. Govind V. Deshmukh: You will also be included in the film. Whatever you may say, your sympathies are with the Indian soldier and you would like to see his condition improved and racial discrimination removed.

12 Noon. If you want all these things, you can trust me to do it and I cannot do it unless I am on the Committee. You may rest assured that members like Mr. Kunzru take a great deal of interest in the work of this committee. I, therefore, submit that some of the suggestions made by Mr. Joshi may be adopted. I hope the House will do its best to support this motion.

Mr. C. M. Trivedi: Sir, I am sorry that when moving the motion for the election of this Committee, I did not give account of its work. I did not do so because my Honourable friend, Sir Frederick James, had himself referred to the work of the Committee in his speech on the Finance Bill and I myself was going to mention the activities of the Defence Consultative Committee in some detail when replying to the speeches of the Honourable Members on the Finance Bill in so far as they concerned defence matters. This debate has taught me that I must repair that omission and I will now give a brief account of the activities of the Committee ever since it was started. The Committee was started at the insistent request of the Central Legislature and it was established in 1941. The Committee meets once a quarter and it discusses matters of interest to the defence services. Its advice is taken on many important matters and I will give some account of the matters discussed by it.

The question of the pay and allowances of the Indian Commissioned Officers—and the House knows there are several thousands of Indian Commissioned Officers—was discussed by the Committee at a very early stage. Its recommendations were accepted and the pay and allowances of the Indian Commissioned Officers were revised. The next important subject which the Committee discussed was the question of the improvement of the training facilities of the University Train Corps. The University Training Corps have been re-organised and they have been made more efficient bodies than they were before. We regard the University Training Corps, whom we now call the Officers' Training Corps, as recruiting grounds for officers and this new measure largely owes its origin to the advice which the Committee gave to the War Department. Another important question which the Committee discussed more than once was the shortage of recruitment to the I. M. S. and the I. M. D. The question of pre-cadet schools was also discussed by the Committee. The question of rations for Indian troops was discussed by the Committee more than once and certain improvements in the rations were made at the request and on the advice of the Committee. The Committee has discussed several times questions affecting the recruitment to the armed forces, such as, the recruitment of technicians, the recruitment of officers, the method of recruitment and the new system of selection of officers, which has now been introduced as an experimental measure, was started after taking the approval of the Committee.

My Honourable friend, Sir Frederick James, my Honourable friend, Mr. Deshmukh, and my Honourable friend, Mr. Jamnadas Mehta, have referred to the visit of the Committee last year to the Middle East. The Committee after its visit produced a very valuable report containing many suggestions. The Committee met for two days to consider the report and action has already been taken on a number of suggestions made.

I think I have said enough to convince the House that there is no truth whatsoever in the statement made by My Honourable friend, Sir Muhammad Yamin Khan, that the Committee is a waste of time and money. The Committee is performing a most useful function and I take this opportunity of paying my tribute to the work which the Committee has done and to the advice which it has offered us from time to time. In future, while moving a motion for the election of this Committee, I shall give an account of the activities and the work done by the Committee during the previous year.

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, six non-official Members to serve on the Defence Consultative Committee for the financial year 1944-45."

The motion was adopted:

ELECTION OF A MEMBER TO THE CENTRAL COMMITTEE OF THE TUBERCULOSIS ASSOCIATION OF INDIA.

Mr. J. D. Tyson (Secretary, Department of Education, Health and Lands).
Sir, I move:

"That the Members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, one person from among their number to sit on the Central Committee of the T. B. Association of India."

Mr. President (The Honourable Sir Abdur Rahim): The question is:

"That the Members of this Assembly do proceed to elect, in such manner as may be approved by the Honourable the President, one person from among their number to sit on the Central Committee of the T. B. Association of India."

The motion was adopted.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform Honourable Members that the following dates have been fixed for receiving nominations and for holding elections, if necessary in connection with the following Committees, namely:

	Date for nominations.	Date for election.
1. Standing Committee for the Department of Supply	23rd March	28th March.
2. Defence Consultative Committee	24th March	29th March.
3. Central Committee of the T. B. Association of India	Do.	Do.

The nominations for all the three Committees will be received in the Notice Office upto 12 Noon on the dates mentioned above for the purpose. The elections which will be conducted in accordance with the principle of proportional representation by means of the single transferable vote will be held in the Assistant Secretary's room in the Council House, New Delhi, between the hours of 10-30 A.M. and 1 P.M.

THE INDIAN FINANCE BILL—contd.

Mr. President (The Honourable Sir Abdur Rahim): Before the House resumes consideration of the Finance Bill, I consider it my duty to inform Honourable Members how the debate has proceeded so far. This is the fourth day of the debate and I find that eleven Members have spoken so far. From the Congress Party, two Members have spoken, occupying 2 hours and 51 minutes. From the Muslim League Party two Members have spoken, occupying 1 hour and 25 minutes. From the Nationalist Party two Members have spoken, occupying 2 hours and 20 minutes. From the Independent Party one Member has spoken for 1 hour and 5 minutes. From the European Group two Members have spoken, occupying 1 hour and 34 minutes. And from the Unattached Group two Members have spoken, occupying 2 hours and 19 minutes. As I have mentioned, this is the fourth day of the debate and so far as I am aware no Government Member has spoken yet on behalf of the Government. I must also mention that there is a feeling in the House, I am informed, that there had been a certain amount of repetition and irrelevant matter in some of the speeches. I must confess that there has been some repetition and some talk which was not wholly relevant to the Finance Bill even having regard to the large scope that has been allowed in such debates in practice.

I must also point out that even in a debate of this nature, that is on the Finance Bill, Honourable Members are not expected to repeat arguments which have already been advanced either by themselves or by others, not only on the Finance Bill itself but also in the Budget Debate—that is, General consideration as well as Demands for Grants. This has been the limitation laid down hitherto and has regulated the practice of this House. As regards the scope of the Debate on the Finance Bill, as I have said, it is fairly wide, it may cover not only all relevant matters so far as the Bill is concerned, but also

matters of general administration for which the Government of India is responsible. Matters other than these do not come within the scope of this debate.

As regards the selection of speakers, the duty undoubtedly lies on the Chair, whoever may be occupying the Chair at the moment—the President, the Deputy President or one of the Chairmen—to regulate the debate as best as he can. It is also incumbent on Honourable Members of the House to give him all the assistance they can in regulating this debate. I wish to remind Honourable Members that there are many interests which the Chair has to take into account in making a selection of the speakers. There is not only the Opposition proper, there are several Groups, five or six of them, there is also the Government—there are eleven Provinces and no Government Member has spoken till now—there are eleven Provinces to be considered, the eleven Provinces represented by different Honourable Members, there is the European Group, there are other interests, such as labour, there are the representatives of Indian Christians, Anglo-Indians and the Scheduled Castes and so on, the House will realise that it is not an easy task for the Chair to regulate such a debate, bearing in mind all the different interests concerned. I may point out that while the Chair always bears in mind that the different Groups of the House would like to put up speakers to participate in the debate, there are also Honourable Members who do not belong to any Party, and they are also entitled to participate in this debate. The claim that the number of speakers must accurately represent the strength of each Group has never been recognised as a valid one, though the Chair undoubtedly tries its best to see that there is a proper balance in the debate. I shall, therefore, ask for the co-operation of all Honourable Members to enable the Chair to regulate the debate in a proper and reasonable manner.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, on the question of relevancy may I ask whether the Food question is relevant to this debate or not. We, particularly those coming from Bengal, are keenly interested in debating this question.

Mr. President (The Honourable Sir Abdur Rahim): It depends upon how the food question is brought up in this debate. There must be no repetition of the arguments that have been already advanced during the general debate.

Dr. P. N. Banerjee: Not exactly the same arguments. This is a very important matter and it will have to be thoroughly discussed.

Mr. President (The Honourable Sir Abdur Rahim): Certainly, as the question concerns the administration of one of the Departments of the Government, it is relevant, but there must be no repetition.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): Sir, I have taken your admonition in all humility and I shall do my best to co-operate with the Chair in doing what you have just been pleased to ask us to do. Sir, when the House adjourned yesterday, I had just stated three methods about financing the war. One of them was taxation, the other borrowing and the last was inflation. I had submitted that each of which was according to the sequence, good, bad or indifferent. Then, I mentioned that since the war broke out, the indebtedness of the country has gone up by 800 crores and several Honourable Members were inclined to think that I had just missed the figure. I have since looked up those figures and I find that I was right. If Honourable Members will refer to page 28 of the Explanatory Memorandum on the Budget, they will find that in 1938-39 we had a total interest bearing obligations of 1,205 crores and under the Budget they will be nearly 2,000 crores.

The Honourable Sir Jeremy Raisman (Finance Member): But the Honourable Member said that the national debt has already gone up by 800 crores.

Mr. Jamnadas M. Mehta: If that is any consolation, I am willing to modify it.

The Honourable Sir Jeremy Raisman: That is taking into account the balance at the end of that period which will be an asset against the debt.

Mr. Jamnadas M. Mehta: I was referring to this particular item, that the indebtedness of the Government and of the country which was 1,205 crores in the year the war began will be, during the Budget year, increased by nearly

[Mr. Jamnadas M. Mehta.]

800 crores. I am not saying that it is too much or too little. I was simply stating the figures and all this amount is in some way or other borrowed. It is not a small amount. It works out at the rate of nearly 200 crores, 175 crores per year in addition to taxation. What is more, this borrowing could have been less. This large amount has become necessary because the rise in the cost of living compels Government to spend more where they might have spent less, if they had been careful. Here comes not only the direct consequences of inflation, but the danger to the country in the future. The rate at which my Honourable friend the Finance Member has inflated the currency has sent prices soaring over and today he is getting for one rupee, one-third rupee worth of goods and services; he would have got three times as much if there was no inflation. So, the increase of 800 crores of indebtedness of this country has really brought to the Government for financing the war not 800 crores of goods and services, but barely 266 crores. The nation has spent 800 crores and got 266 crores worth of goods and services. All the rest is the result of his inflation. If he had not inflated the currency as prodigiously as he has done, the financing even by borrowing would have been much less. But that is not the only danger of this. Sir Joshua Stamp in one of his speeches once said, "If I said that as a result of inflation the national debt has increased by 200 million £, nobody seems even to understand that point". This is what Sir Joshua Stamp meant when he said fluctuations in purchasing power of the unit of currency result in consequences which its authors never anticipate. One of the consequences is that we have only got one-third of the goods and services for Rs. 800 crores borrowed; and when the war is over, these 2,000 crores of indebtedness and what we might hereafter borrow will have to be paid for if the prices fall to the pre-war level to the extent of 6,000 crores of rupees in goods and services. We have got 266 crores and these 2,000 crores will have to be paid for in terms of goods and services to the extent of 6,000 crores. What a horrible prospect!

The Honourable Sir Jeremy Raisman: Will the Honourable Member kindly state in what way he himself has tried to exercise his influence in order to counteract inflation? I know of several ways in which he has done the other thing.

Mr. Jamnadas M. Mehta: I can assure my Honourable friend that I would have done it quite differently from him. I would first of all have taxed the highest, then borrowed and then if necessary resorted to inflation. He has reversed the whole procedure and brought this calamity on himself and myself. It is not a pleasant thing for me to say these things but it is he whom I am helping by making my submissions.

The Honourable Sir Jeremy Raisman: And charging me with having done it.

Mr. Jamnadas M. Mehta: And now he is furiously trying to reduce inflation results. As the *Economist* or some other journal has said, when the fever is high it is not reduced by plugging the thermometer. If the fever is there it will remain; you raised the inflationary fever by reversing the process of financing the war. I do not blame you because circumstances might have compelled you to do it. I am only trying to show where we have drifted.

The Honourable Sir Jeremy Raisman: But my Honourable friend has repeatedly said in the course of his speech that the Finance Member has done this and done that, the rate at which the Finance Member has inflated, and so on. Will he kindly explain what exactly he means by that?

Mr. Jamnadas M. Mehta: I am now on borrowing. When I come to deal with inflation I am going to explain it at the biggest possible length.

The Honourable Sir Jeremy Raisman: But that is the essence of the argument.

Mr. Jamnadas M. Mehta: I will not allow my Honourable friend to leave this House today without saying what I want to say as regards inflation. But I am also pledged to the Chair not to take any point which has been taken by others, and even on a new point not to labour it any longer than necessary. But I shall continue until this inflation disaster is brought home to him in the clearest possible manner, and that with the best of good will in the world

Therefore, Sir, I was submitting that when these 2,000 crores will have to be paid for in goods and services they will amount to six thousand crores worth of goods and services. It will have to be extorted from the humblest of my countrymen who are asked to tighten the belt in the course of the war so that you may make every sacrifice. But we have tightened and tightened and tightened until no slack is left. That is the position as a London journal has testified. But there are other consequences. This huge indebtedness which is being piled up will lead to the hampering of industry and will also be a check to development in future. I am, therefore, telling him that he might still take the right course if he can. In the future this indebtedness will need the payment of huge amounts of interest year after year, and that will be a further drain on the humble resources of this country. Mr. Hartley Withers whose authority I need not dilate upon has said in one of his books that borrowing is a great mistake so long as you can tax, and the mistake is often made of thinking that by borrowing you are passing the burden of the war on to posterity. That belief again is not true; it is pure delusion to say that the burden passes to posterity. Nothing of the kind. War needs guns, food, clothing, munitions, lorries, tanks. They must be all new; they must all be produced now. Somebody must produce them; somebody must pay for them. So the idea that posterity will pay simply because the loan is repaid at a future date is pure delusion. It is paid from current production. No doubt afterwards those who have given the money will take the future produce out of the future generation and enjoy it for themselves; but the country pays for the war as it goes on. You cannot pass on the burden of producing a present tank to a grandchild born 30 years hence; it is impossible. Therefore, I still say that the only right course for the Finance Member should have been to tax first, borrow afterwards and inflate later on if necessary. The only thing for which I would allow borrowing without any fear is a productive enterprise in which the country may be engaged. Barring that, particularly during the war, the whole burden should fall, in my humble opinion, primarily on taxation.

Having made this submission on the question of borrowing I will now pass on to taxation. I have held the opinion and strongly hold the opinion that the burden of the war should have fallen on the present generation so that it may realise that it is no fun to fight a war, particularly a modern war. And the Finance Member would have had my fullest co-operation, even now he has my fullest co-operation, in taxing wherever the tax can be reasonably imposed. But in the initial years of the war he was depending on taxation only to a small extent, and as he has proceeded he has taxed without looking to the right or to the left. He has taxed the people whose shoulders are the weakest; and I am again giving them an authority of recognised economists that according to the main principles of taxation and according to the classical economist Adam Smith, no citizen is bound to pay any taxation who does not enjoy an income and he can pay only out of the net income which he enjoys after making a decent living. That is the first of the four fundamental principles of taxation which are known to my Honourable friend as they are known to everybody else. Has my Honourable friend followed that canon of taxation? He has not.

The Honourable Sir Jeremy Raisman: I should like the Honourable Member to tell me what proportion of the people of this country should be subjected to any taxation at all on his criterion.

Mr. Jamnadas M. Mehta: I will not leave my Honourable friend in doubt in the least. Hartley Withers along with Adam Smith and other economists have said that taxation must fall as a legitimate demand of the State on the net income of the citizen. But in order that it should get legitimate taxation it will have to rely on a wholly equitable system of taxation which will curtail the power of the richest to waste money in luxury and idleness, and at a national crisis not to tax those by taxing whom you will take the food from their mouths and clothes from their ill-clad children. After five years of the war I am seeing great equipages crowding into every place of amusement and people are spending relentlessly in the enjoyment of luxuries. In fact, the greater the inflation the greater is the zest of those who have made money to enjoy and waste money

[Mr. Jamnadas M. Mehta.]

which is obviously superfluous. And Government are not without their share of blame in helping them to spend in that way. If he had taxed as I wanted him to tax, I would have no objection. But what has he taxed? I maintain that the net income of a citizen alone can be taxed subject to any reasonable sacrifice and self-denial that he can be called upon to make; the net income can only be taxed

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has said that more than once.

Mr. Jamnadas M. Mehta: I am now showing what he has done.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is repeating himself.

Mr. Jamnadas M. Mehta: You will find that it is not the least part of my intention to indulge in repetition. I was simply leading to the details of what he has taxed. I have generally stated that he has taxed those who have the least ability to bear. What has he taxed? He has taxed last year the only kind of *ghee* left to the poor,—the genuine *ghee* is gone from the use of the poorest in my country, and particularly those who are not meat-eaters, their only nutritive food was milk and *ghee*, and both of these things have now gone out from their breakfast tables or from their meals. That offends against the first fundamental canon of taxation, that you must not tax the fundamental needs of the people—the needs of existence? But he has taxed. There are many more things that he has taxed in the past which are not legitimate from the point of view of the first fundamental principle of taxation that the burden must fall on the shoulders which can bear it. And this year he has come again with a similar cut in the budgets of the people: Tea, coffee, betel nuts have been taxed. If he had ever tasted betel nuts, he would find that it is really a necessity in this country.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): He smokes though. Sir Jeremy Raisman is a blazing furnace!

Mr. Jamnadas M. Mehta: I did not know that. He is a pugilist and a boxer when it comes to argument. I have not seen him smoking much, and being a smoker myself I do not mind paying for what I smoke. Yesterday my Honourable friend said that England is the country which taxes tobacco most. I want him to tax that tobacco most which involves luxury . . .

Sir Cowasjee Jehangir (Bombay City: Muhammadan Urban): Where is the margin?

Mr. Jamnadas M. Mehta: Margin is in your pocket. *Biri* smoking is not a luxury my friend. What did it cost to the poor man before? 12 *Biris* for a pice. I remember the days when 25 *biris* were sold for one pice—although I don't smoke *biris*, I know the market. Therefore, I say, that is the only "luxury" left to the poor people of this country.

Sir Cowasjee Jehangir: Luxury!

Mr. Jamnadas M. Mehta: Yes, if you choose to call it luxury. I cannot approve your method of taxing those who cannot bear the burden, because, as I have told you, your Government's methods are regressive taxation and regressive taxation is fundamentally wrong: Its incidence is not equal. If I buy a pound of tea and a rich man buys a pound of tea we shall have to pay the same tax—two annas are superficially equal. As I explained the other day, a poor woman with six children having a cup of tea for them without milk shall have to pay two annas and my Honourable friend Sir Cowasjee Jehangir will also pay two annas.

The Honourable Sir Jeremy Raisman: She doesn't pay his super-tax.

Mr. Jamnadas M. Mehta: Because she will never get any opportunity to pay it.

The Honourable Sir Jeremy Raisman: That is the adjustment.

Mr. Jamnadas M. Mehta: You cannot adjust like that; that is not sound. This indirect taxation, particularly on the necessities of life, is so regressive and

therefore so unjust and inequitable in its incidence that my Honourable friend, Sir Jeremy Raisman, has gone entirely wrong in pursuing that policy. And because inflation is already in operation, he needs more than he would have needed if originally the inflationary spiral had not been set in motion by him. Therefore, I do not wish to repeat

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is in fact repeating every argument time after time.

Mr. Jamnadas M. Mehta: I am sorry, but the argument cannot be sustained if you do not link one with the other.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is repeating too much. I must ask him to exercise some self-restraint.

Mr. Jamnadas M. Mehta: I am not going into the details in respect of taxation on tobacco, tea, coffee, betel nuts—that would have been repetition. I am trying to the best of my ability not to repeat.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member talked about betel nuts yesterday.

Mr. Jamnadas M. Mehta: I am not today going into it. You admonish me for using an argument which has been used by anybody. I humbly say that one argument has to be linked with the other argument and some kind of reference back is almost inevitable. I shall, however, in all earnestness leave the question of taxation except to say that this burden would have been lesser if the inflation had not been forced in the beginning.

Now, I go to the third method of taxation, which is the worst method, and there, with your permission, I shall certainly develop my submission so that the Finance Member may not any longer be in doubt of the horrors which this inflation has perpetrated and is perpetrating.

Mr. President (The Honourable Sir Abdur Rahim): So the Honourable Member is going back to inflation.

Mr. Jamnadas M. Mehta: Sir, I have not referred to inflation so far. The Honourable Member has given me an invitation and it is my duty to say that inflation has been the cause of his present difficulties. If he had carefully guarded himself against inflation from the very beginning, I would not have at all objected to the little inflation which must follow as a result of this war. Today what has happened? Every day two crores of rupees are added to the volume of currency notes. As they are being added—at the rate of 3 to 4 crores every week, until we have now reached 884 crores—all my friend's anti-inflationary measures are being stultified to the extent that he keeps the door open for the horse to be stolen on the one side and closes the stable at the other end in order to save it.

Mr. President (The Honourable Sir Abdur Rahim): I must ask the Honourable Member not to go on repeating.

Mr. Jamnadas M. Mehta: Shall I drop inflation?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should not indulge in needless repetitions.

Mr. Jamnadas M. Mehta: Shall I drop inflation or any particular argument? I am sorry I have been asked by the Honourable Member and I must say how dangerous this inflation is. Sir, I am not going to use one argument which has ever been mentioned in this House and which is not new.

The Honourable Sir Jeremy Raisman: What I would ask the Honourable Member to do is to indicate exactly what he would have done, which is a very different thing from describing inflation. We all know what the effects of inflation are, I have described them myself.

Mr. Jamnadas M. Mehta: At one stage the Honourable Member was not willing to admit that there was inflation. He has been slowly driven into admission and now I cannot allow him to run away so easily. This inflation is increasing every day. If you have a ten-rupee note everyday he is stealing two pice out of it by inflation.

The Honourable Sir Jeremy Raisman: Will the Honourable Member do as he promised and tell me what he would have done?

Mr. Jamnadas M. Mehta: Yes, I am coming to that.

The Honourable Sir Jeremy Raisman: But the Honourable Member says he is in favour of the war effort and I want to know what he would have done. (Thumps on the desk.)

Mr. Jamnadas M. Mehta: I will tell you what I would have done: (Thumps on the desk.)

Dr. P. N. Banerjee: I hope you are not coming to blows!

Mr. Jamnadas M. Mehta: If this is a desk for him it is a desk for me as well. I will tell him what he should do provided he is not impatient. But I want him to realise, though at one stage he would not admit it, that there are enough countrymen of mine who are profiting by this inflation and who are behind him in saying that there is no inflation. There are people who are rolling in money due to inflation outside this room. Perhaps they are in this room also. They are co-operating in the exploitation of the poorest of my countrymen by supporting inflation. This commodity inflation and scarcity inflation are all words. The real thing is that it is patent to every tyro of economics that if the volume in currency grows the purchasing power of the unit goes down.

The Honourable Sir Jeremy Raisman: Too elementary!

Mr. Jamnadas M. Mehta: So it is, but it is challenged by people who are making money. I will now tell him what I would have done. I would have first of all started from the first day of the war to see what is the taxation that I can impose on the shoulders that can bear. I would not have looked to the small humble man for financing my budget. I would have thought of imposing a capital levy. According to the authors of the 15-year plan, the amount of capital in this country—I do not know whether their figures are right or wrong—is 48 thousand crores. I am making my calculations as I go. If 48 thousand crores is the national wealth today, then roughly about 25 hundred crores is the national dividend. I would, therefore, exempt those who have wealth below 10,000 from any capital levy and then I would have started in a most merciless manner to make it steeper and steeper until no man would have possessions which he does not need while the war is on. Therefore, do not say that I have no scheme. This would have given you money which would have lasted you five years and the children of the poor would not have gone without anything. If he wants one day to argue this point at a place where the Chairman would be kinder, I would go into the whole gambut.

Mr. President (The Honourable Sir Abdur Rahim): I think the Chair has been very indulgent to the Honourable Member.

Mr. Jamnadas M. Mehta: I have said kinder, not that you have not been kind. I am grateful for all the opportunities that the Chair has given me. But I claim that I have always something to say.

Now, I shall leave the inflation question because the time is working against me, although I hope I have made some contribution to the financing of the war in a manner which would have fallen less on the burdens of the poorest and would have fallen more on shoulders that are broad enough to bear the burden. That is my submission to the Honourable the Finance Member on the question of financing the war. The osculatory method I denied the other day.

Now, I come to three more points out of the Honourable the Finance Member's speech. They have been gone into by this House. I shall give a new point of view on each of those questions. I won't give an old hackneyed point of view. About the gold sales I do not want to say much, but I do wish to correct one impression, which the Honourable the Finance Member thinks legitimate. I say first of all that these gold sales are a matter of interest to this country. Why is he so secretive about giving information? It is my country that is buying gold and it is my country whose Government should be getting the profit. But I do not know what happens. I tell the Finance Member that he should make the most explicit public statement about the sale of gold, the quantities that he is selling, the price that he is buying at, the price that he is selling at. These are matters of the greatest public importance and if he thinks that the prices are reasonable, I shall not object. But I do say that

there is a public suspicion that the prices paid are Rs. 35 less than the prices charged. I do not know how far it is true. It is not good for the State which is behind this. This Rs. 35 profit is either taken by America or England, or by both, and they are using this money for financing their war needs in this country. Why should we not get the benefit? That is the point which I wish the Honourable the Finance Member to answer in the straightest and clearest manner possible. I do not agree with my Honourable friend that if this is done it will simply add to the sterling balances. No, it cannot. I heard him say so yesterday.

The Honourable Sir Jeremy Raisman: That is literally correct.

Mr. Jamnadas M. Mehta: In either case it is not anti-inflationary.

Now, I come to the sterling balances. I am not one of those who believe that if sterling balances were not there we would be in a less inflationary position. Some sterling balances are bound to remain there. Nor do I believe that the inflation is due only to the sterling balances being located in England. Even if you had gold in this country, gold can lead to inflation. So I am not in the habit of believing that if our balances are held in other countries there is necessarily inflation. The inflation is due to the large volume of currency, not to its location; the absence of any necessity for increasing that volume. If all money values were increased or decreased by 10 per cent., nobody would be better off or the worse off for it. Therefore I have no objection to the location of the sterling balances. The Honourable the Finance Member has given the promise that there is going to be a dollar account in the Bank of England for the Reserve Bank and the demand by Indian public opinion for a dollar balance against a sterling balance will be appreciably met. I want the Honourable Member to explain to me a catch which I fear is lurking there. I think I am right, but I won't take it for granted until I put it to him. Supposing my country has got 10 crores of dollars in the Bank of England to the credit of the Reserve Bank, my Honourable friend will say, here is the dollar reserve for which this country has been asking. The Federation of Chambers have already thanked him. But I always look a gift properly and up and down before I thank the donor.

The Honourable Sir Jeremy Raisman: But they do not usually hand out thanks so lightly.

Mr. Jamnadas M. Mehta: They have handed out to-day, it is still doubtful whether they should have done so. I put a poser to my Honourable friend, and it is this. Instead of sterling there will be a dollar credit for India, which means that if I want certain goods from America they will be financed out of the dollar account. If Government allows me to bring heavy machinery or machinery for heavy industries, so much of our balances will be available in U. K. for being sent to America. To that extent India will get heavy machinery from America on account of the dollar balance. But what will England do? England will give credit to America for so many sterling. "You are entitled to so much sterling. All right. You can send for so much goods. You can get so much sterling." Dollars can not be exported. It will simply be a mere book entry.

Sir Cowasjee Jehangir: You are confused.

Mr. Jamnadas M. Mehta: There is no confusion, Sir Cowasjee. It will take you three years to understand.

Sir Cowasjee Jehangir: It has taken you a life time.

Mr. Jamnadas M. Mehta: You are still a baby. Because you are a merchant, it does not mean that you are a student. Don't talk before you know.

Sir Cowasjee Jehangir: You have betrayed your ignorance so thoroughly that nothing more can expose it.

Mr. Jamnadas M. Mehta: You do not know. You think that ignorance is knowledge! I won't take it because you are a millionaire. You have to study hard, Sir Cowasjee. I put it to the Honourable Member whether that amount will not be credited to America as sterling for the goods which America may buy from England—whether there is any other way of paying America for the

[Mr. Jamnadas M. Mehta.]

dollar for which we have got credit. I am asking the Finance Member. I ask how will America get money which you are paying to her for our importation of heavy machinery in terms of dollar?

The Honourable Sir Jeremy Raisman: She will be paid in actual dollars. She will be paid in dollars which are at the disposal of India at that time.

Mr. Jamnadas M. Mehta: Dollars are there in England. You are not going to export. You have got no dollars; it is a paper entry, and I tell you what you will do. And then if you tell me that I am wrong, I shall accept it. What you will do is to export so much British goods to America and thereby wipe out your dollar debit. That is what will happen. India will get goods from America. America will get goods from England and accounts will be cleared.

The Honourable Sir Jeremy Raisman: That is really the ordinary description of how these things are done. It may be that at a particular time there are already dollar credits which can be utilised, but dollar credits can only be earned by selling goods or services to America.

Mr. Jamnadas M. Mehta: Having earned dollars from us, America will get payment in British goods and not in dollars. That is the poser I am putting to the Honourable the Finance Member. You can certainly explain to me whether what I am telling you is not the normal process.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member should address the Chair.

Mr. Jamnadas M. Mehta: The dollar balances about which the Honourable the Finance Member has given so much consolation to this country are not in that sense dollar. They will be given to us if America buys the equivalent of British goods in exchange for the dollar which we give. When you explain that to me I will certainly be glad to accept it.

Then there is one point in his speech which I want him to explain, it has reference to mutual and reciprocal aid. It is not quite clear and that is why I want him to explain. Paragraph 52 of his speech has this:

"This aspect of India's post-war problem was discussed with H. M. G. in connection with the acceptance by India of the general principle of the extension of reciprocal aid to raw materials and foodstuffs."

What is the general extension of the reciprocal aid to raw materials and foodstuffs? I understand it in this way that at the end of the war, as a measure of reciprocal aid India will give all the assistance in raw material . . . (Interruption.) This is post-war reconstruction paragraph.

The Honourable Sir Jeremy Raisman: No.

Mr. Jamnadas M. Mehta: This is not a war business at all.

The Honourable Sir Jeremy Raisman: If you refer back to paragraph 37 of the Budget speech it describes reciprocal aid to the United States during the war.

Mr. Jamnadas M. Mehta: I am aware of that, but now you are asking in a paragraph on postwar reconstruction about the extension of the principle of reciprocal aid. I am referring to paragraph 52. It is not the principle which is already in force. You are referring to reconstruction paragraph.

The Honourable Sir Jeremy Raisman: It is not a reconstruction paragraph. It is a paragraph before reconstruction section of the Budget speech. It is in the Ways and Means section.

Mr. Jamnadas M. Mehta: Here is a paragraph which says:

"His Majesty's Government fully sympathise with the desire of the Government of India to make such advance provision as may be practicable during the war for the requirements of post-war development."

Provision for what?

Mr. President (The Honourable Sir Abdur Rahim): I think the Honourable Member had better go on with his arguments. He will have the reply afterwards. Every argument cannot be replied at once offhand. The Honourable Member will go on with his speech.

Mr. Jamnadas M. Mehta: If the Honourable Member feels . . .

Mr. President (The Honourable Sir Abdur Rahim): The Finance Member will give a reply when he speaks. The Honourable Member cannot put a question every minute.

Mr. Jamnadas M. Mehta: I am simply putting him a question through you.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member is putting question after question expecting answers straight away.

Mr. Jamnadas M. Mehta: I am putting questions to him through you.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must not wait for a reply being given at once to every question, he may put in the course of his speech.

Mr. Jamnadas M. Mehta: I am not waiting for the reply. I am telling him that he may reply to me in his reply, but he chooses to reply earlier and the Chair's displeasure falls on me a humble person.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member had better go on.

Mr. Jamnadas M. Mehta: I am asking the Government to explain to me whether paragraph 52 does not relate to post-war reconstruction. The whole thing is on post-war reconstruction and therefore I ask him to explain what it means. I take it in my ignorance, I presume, it refers to post-war reconstruction, and I want him to tell me what exactly that means.

Having said so much about inflation and other relevant matters I will refer to the Honourable Member's paragraphs of his speech about post-war reconstruction. I am fully in agreement with him about not forcing the pace. I think the post-war plans which he is visualising in the three paragraphs in his speech are on the right lines. I therefore want him to be on his guard not to accept any other scheme without thoroughly examining it. Both His Excellency the Viceroy and the Honourable the Finance Member have paid compliments to bite on. I find that I must warn the Government against two points in the 15-year plan. There is too much propaganda in favour of that plan. Being rich men its authors will always be able to find very highly qualified men to boost their scheme. I am not ready nor have I

1 P.M. the time to go on with the exposition of the entire scheme but I want to point out that their figures about housing are all wrong and the Government should work out their own figures about housing. The figures which are given in the 15-year plan about housing are . . .

Mr. President (The Honourable Sir Abdur Rahim): That scheme is not under discussion now.

Mr. Jamnadas M. Mehta: This plan has been discussed by the Finance Member in his Budget speech. I am only telling that he should beware. I shall not go into the whole plan. I shall deal only with two points which are striking me as very material. I shall only deal with the figure of housing and one other point—nothing more. It is too big a scheme to be discussed in half an hour. One is that the figure for housing is Rs. 2,200 crores. That figure is, in my opinion, entirely wrong, as I will show. According to their figure, the amount of money required is Rs. 2,200 crores. For accommodating even the people of the city of Bombay in 100 square feet space, per tenement the cost will be 750 crores—in the city of Bombay alone—and there are other places such as Ahmedabad, Sholapur, Hubli, in the Bombay Presidency which is 22 per cent. an urban province. I am afraid that the amount that they have estimated does not take note of the actual cost. One instance will suffice. The taxable value in the city of Bombay is nearly 250 crores, because we get nearly 15 crores as taxable rent per year. We take taxation on 15 crores rental. At 16½ per cent. purchase, this property will amount to 250 crores. According to the figures in the plan, the people of Bombay are today housed only in 27 square feet space, which is about one-fourth of the 100 sq. ft. Therefore, if the city of Bombay is to be housed according to their scheme, in 100 square feet space per tenement, then the

[Mr. Jamnadas M. Mehta.]
 immoveable property will have to be multiplied three times and that would cost 750 crores. *Pro rata*, Ahmedabad will cost the same scale. Between Sholapur and Ahmedabad, it is difficult to say which is worse overcrowded. If you take these cities and the rest of the province, the amount of money which will be required will not be 2,200 crores for the whole of India, but for Bombay Province only. Therefore, plan's figures are very risky. These gentlemen have obliged us by publishing their figures. I submit this for their consideration and also submit to Government that they should be on their guard.

My next point is that the Government should prepare these figures and not laymen like ourselves. We have not the resources. We have not the staff and we have not the time. Only Government can prepare this statistical information which non-official members have to depend on. I, therefore, do hope that the special officers whom Government are employing will produce at an early date the figures I have asked for not merely on housing but on other things.

The only other point about the 15-year plan on which I wish to say something is that the way in which they have proceeded to find the finance is highly objectionable. In the first place, some of the finance does not exist on their own showing. For instance, they have taken 4,000 crores as the national savings in 15 years. Now, if it is a national saving, it does not matter where that amount is; it is immaterial where it is located but they go on claiming credit for 600 crores. In my opinion, they have counted it twice. 4,600 is wrong. Either they must say that the national savings in 15 years will be 4,600 or they should deduct 600 which are in England or take credit for internal finance only to the extent of 3,400. That is my point against their financial figure and the second point about financial figures is that they propose 3,400 crores as created money. This to my mind is the most astonishing thing.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must leave that scheme alone now. It is not relevant. The Honourable Member will now go on to his next point.

Mr. Jamnadas M. Mehta: I am sorry to be a drag on the Chair and I would not go into this if the Chair

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must accept my ruling. He must go on to the next point. I do not want my ruling to be discussed.

Mr. Jamnadas M. Mehta: I bow to it and will proceed to the next point and in my armoury there are six other points, because I think this is the only opportunity when I can review the activities of the Government of India at one stretch.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member has spoken enough, has repeated enough.

Mr. Jamnadas M. Mehta: I will not repeat a single thing.

Mr. President (The Honourable Sir Abdur Rahim): If the Honourable Member goes on repeating, I will have to ask him to discontinue his speech.

Mr. Jamnadas M. Mehta: I will not repeat. I tell you that I am only linking one argument with another. I am profoundly sorry that the longevity of speeches

Mr. President (The Honourable Sir Abdur Rahim): Because it is full of repetition. I do not want the Honourable Member to discuss this so-called plan at length in this House. I have given my ruling and the Honourable Member must accept it.

Mr. Jamnadas M. Mehta: If the Honourable the Finance Member refers to this, am I wrong in discussing

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member must accept my ruling. Otherwise I shall have to ask him to discontinue his speech.

Mr. Jamnadas M. Mehta: I am not going to repeat, I assure the Chair that I am not going to repeat it. I shall now go on to the next point about the War Department and I want to say that the War Department has got certain improvements to make in their policy. The War Department is the biggest spending department today and in England, although the total amount of taxation for financing the war is 56 per cent. of the annual revenue, in India it goes even higher. The war according to the Finance Member's own statistics is going to cost 300 crores this year, both revenue and capital. We find that in England the percentage has been found in 1943/44 to be 56 and in this country which is not so much affected by the war as the United Kingdom our share of revenue for war is even much more. I would like the Honourable the Finance Member to compare the taxation income and the revenue expenditure of the war both in England and here. I ask him to satisfy himself that the percentage of the annual revenue which goes into the war in this country is not larger than in England. I will ask him to examine that and to satisfy himself that England is spending less of its revenue on war than we are spending. I have requested H. E. the Commander-in-Chief to give better salaries and allowances to the soldier until his family feels no anxiety when the bread-earner is away at the front. I will not refer to the question of discrimination. I know that the racial discrimination cannot be altogether avoided in this country as things stand. Government will go on promising that there will be no racial discrimination and I will go on pressing that there is racial discrimination. But so far as the War Department is concerned, I do appeal that there should not be given the slightest ground for feeling that the Indian soldier is being differentiated against and that the Indian officer is being differentiated against, as the fear was voiced by my Honourable friend, Mr. Deshmukh.

There is a regiment or a division here—I do not know its technical name—which consists of 6,000 Rajput soldiers and I am informed on the most authoritative ground that the Brigadier who is in charge of it is proud and grateful and fond of every one of these 6,000 Rajputs. He tells to his friends that in other countries and even in this country soldiers are soldiers by profession. But to this regiment of Rajput soldiers, war is a creed and they bear arms not as profession but because the defence of their country is their creed. What a glorious opportunity this Government has for recruiting and encouraging people who consider war as a creed in times of national crisis. Therefore, I would suggest to the Honourable the Finance Member and His Excellency the Commander-in-Chief that within the limits of our finance the soldier and his family should be looked after as tenderly as possible.

I now go to the Department of Food. There is no separate debate for food, yet I shall not refer in the least to the food debate controversy that has been already debated more than once in this House. I shall simply say this: What has been the result after twelve months of the Government measures for taking food, clothing and the other necessities of life to the people of this country?

Mr. President (The Honourable Sir Abdur Rahim): It is now quarter past one and I must adjourn the Assembly for lunch. The Honourable Member can continue his speech after lunch.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. K. C. Neagy (one of the Panel of Chairmen) in the Chair.

Mr. Jamnadas M. Mehta: Sir, I was referring to the Food Department's activity when the House rose for lunch. I do not wish to repeat the arguments that have been advanced in the two or three days debate on the Food question. I want simply to see what the results of the policy have been of the policy that

[Mr. Jamnadas M. Mehta.]

was declared in the last session, even where that policy has succeeded, whether that policy is being implemented, and what is the present position. As the House will remember, His Excellency the Viceroy in a speech in Calcutta, I think it was, reiterated the policy of his Government on the food question. He said that food was not a provincial question. It was an all-India question, it was a world question. The second point which His Excellency made was that his Government had determined that there will be statutory price limit fixed in pursuance of the food policy, that there would be rationing, and His Excellency coupled all these declarations or reiterations of the policy by giving his opinion about those who were profiteering from food. I will only quote two sentences from the speech of His Excellency. Firstly, he said, "I am prepared, if necessary to take the most drastic action in support of our policy". I want to know from the Government what is the drastic action they have taken since 21st December. There has been no session since then. I want to know what is the drastic action. All that I think is done is that the Governments of the Punjab and of Sind have checked their rebellious tendencies to some extent. But they both continue in the same mood of profiteering at the expense of India. In fact, the Sind Government has made huge profits out of the miseries of other Provinces. I do not know what the Government of Bengal is still doing about its own food policy. The second hint which His Excellency gave was this: "to my mind, there is no condemnation too severe, no penalty too stern for those who attempt to make unauthorised profits out of food or out of drugs at a time of national crisis". This is what His Excellency says. I want to know from the Food Department what punishment they have given, the stern penalty and the stern condemnation which was promised in the Viceregal utterance. Has any substantial decline in price of food stuffs come about? Has rationing been instituted for the greater part of the country? Has this rationing been successful? Are Government selling food in these rationed shops at a price which is commensurate with the ability of the people to pay, because His Excellency says that it is the policy of his Government to ensure that food-grains are available in adequate quantities all over the country at prices which will give the producer a fair deal and at the same time place food within the means of the poorest consumers. Now, I ask you, Sir, it is exactly three months today since this utterance was made. The utterance was made on 21st December and we are now in 22nd March and I am asking the Government whether what His Excellency the Viceroy so graciously promised has come about, has been implemented that the food has come within the means of even the poorest consumers. I submit that that consumation has not been accomplished, nor has food become available to the poor people of this country. They are labouring under a double wrong. On the one hand the prices of food, whatever little fall here and there have been in the Government's rationed shops, they have given really no relief. Rationing seems to have facilitated only distribution, but the other question of prices which substantially is the deciding factor where the poor people will get food, has not still in my opinion been tackled. Until that is done the miseries of the poor people will continue. Profiteers may have been substituted in some places by black shops which are called rationed shops. Here, I want the Government to search into their hearts whether they can call it proper distribution of food if the stuff they give contains one-third *kachra*, stones or mud. In addition, they do not give correct weight but they charge prices which include the cost of the Government obtaining the stuff, the cost of establishment for rationing shops and all other expenses which the Government incur in order to acquire the goods. This is not surely the best way of giving relief to the poor. I have an alternative suggestion to make, that is, that the time has come when food should be subsidised. It is not possible for the Government to feed the population even when rationing becomes general if the present method of acquisition and sale is not accompanied by subsidisation. My most earnest suggestion to the Government is that the time has come, it has long since been due, that food should be subsidised if the population of the country is to be fed properly. Otherwise, you are

bringing into existence a generation which will grow up, as not even the 1931 population was growing up,—under-nourished.

The next point is about cloth. The prices of cloth have been under consideration since June. In fact the Honourable the Finance Member waxed most validly eloquent in April last and he said that this was a sort of economic sabotage by the cotton interests and that it was anti-social and that he would crush them and so on. Now, Sir, if I criticise him and say that he has not been able to crush them, he would feel that I am not encouraging him. I am all willing to encourage him in anything that he does to curb the acquisitive instincts of the commercial magnates. About cloth, what is the position. If you see the enormous profits of this industry, so enormous that in one year alone the excess profits came to 78 crores, may I ask where has all this profit come from? I think another 81 crores is the corporation tax. I am quoting from memory. If all this is the result of taxation on these commercial magnates, then what must be the price they must be charging? And do you think that the prices of cotton, stores or coal or even the increased dearness allowance goes anywhere within a hundred per cent. of the original cost? It cannot be shown like that. The real cost is of cotton and manufacture; the rest comes to a very small percentage of the total cost, and I am quite willing that that price should be added to the manufacturing cost of preparing cloth. After that I do not grudge any reasonable profit. Whatever is left and whatever comes to him in the form of excess profits tax and corporation tax from these limited companies which are running the cotton mills, it must be evident to him that these are the results of profiteering. There is not either reasonable dividend or reasonable earning in this. Therefore I think that Government have not yet been able to control the prices of cloth as they honestly want to do. I am not here to say that Government's intentions are not in that direction; not only their intentions are in that direction but their efforts are in that direction and their whole policy is of that kind. But at the same time that the policy is not succeeding as best as it should is to me transparently clear. What is this reduction of 40 per cent. in the price when the price, according to the Finance Member himself, has gone up 500 per cent? Even the Gregory Committee has found that it was 493 per cent. higher, not very much earlier than August or July last year. If that is the case, 40 per cent. out of 500 per cent. does not take us anywhere both as regards food and as regards clothing. If a man has to die for want of food, whether rice sells at Rs. 40 a maund or Rs. 20 a maund he will die because he can only afford three or four rupees. Whether a man pays Rs. 20 or Rs. 40 a maund for rice may be a matter for historical research but that even at Rs. 20 he will die is certain. Similarly, with a 40 per cent. reduction out of 500 per cent. the man is sure to go naked because he simply cannot afford it.

Then I have still a grievance against my Honourable friend the Commerce Member that he is allowing these dealers to run away with hoarded cloth by giving them one extension after another. Yesterday I had an argument with my Honourable friend, Sir Vithal Chandavarkar. I mentioned the manufacturers and dealers both; my Honourable friend said that the dealers may be doing it, but the manufacturers are immaculate and as innocent as the new-born baby. As a matter of fact I cannot allow that claim to be made on behalf of the mill-owners. The millowners in Bombay, at any rate,—quite a fair number,—have also their shops in the Moolji Jetha Cloth Market. They may be run either in the name of the mill itself or in the name of a cousin or a son or a partner or some such organisation by arrangement. The dealers and manufacturers are not easy to distinguish as my Honourable friend, Sir Vithal Chandavarkar, thought it was possible. I would invite the Honourable the Commerce Member to institute an inquiry whether in the Moolji Jetha Cloth Market the millowners directly or indirectly are not running the cloth shops.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): Do you suggest that I shall find out whether they are sons and brothers of millowners?

Mr. Jamnadas M. Mehta: You can find that out very easily only if you.

Mr. Chairman (Mr. K. C. Neogy): There should be less of these personal conversations.

Mr. N. M. Joshi (Nominated Non-Official): Sir, may I interrupt the Honourable Member? I want to know whether any representatives of the Government of India, besides the Finance Member, propose to take part in the discussion and answer the points made by speakers.

The Honourable Sir Sultan Ahmed (Leader of the House): Certainly, if only we knew at what time an Honourable Member's department will be exhausted. For instance, I do not know what my Honourable friend, Mr. Joshi, is going to say. I propose to speak immediately after Mr. Mehta, if you will permit me, Sir, to answer some of the points raised in the debate. But I do not know what will follow and that is why we have not spoken yet.

Mr. N. M. Joshi: May I ask whether the Government Members will speak on the last day?

The Honourable Sir Sultan Ahmed: I have asked for leave to speak immediately after Mr. Mehta and I am explaining why we have not spoken yet.

Mr. Jamnadas M. Mehta: If the Leader of the House wants to speak after me and he is waiting to do so, he will not have much to say.

The Honourable Sir Sultan Ahmed: I am answering Mr. Joshi who always interrupts for nothing.

Mr. N. M. Joshi: Not for nothing.

Mr. Chairman (Mr. K. C. Neogy): In the interest of economy of time I would appeal to the House not to interrupt the Honourable Member.

Mr. Jamnadas M. Mehta: Now what is the position? On the one hand these high prices remain substantially undiminished. To the extent they have come down I am grateful to Government. My submission is not that they have not come down but that they have not come down after eight months by any appreciable extent which will bring substantial relief to the poor consumer. Therefore, my suggestion is that Government should apply themselves more energetically to the question of reduction of prices because otherwise the whole bulk of the population is suffering. What they earn is not enough to enable them to buy at the current price. I will take only one example. The insurance companies dole out every year roughly 4 crores of rupees to the policyholders whose policies mature or to the heirs of deceased policyholders. They might be paying more in claims and profits but it was roughly 4 crores in 1941. Supposing a retired schoolmaster had invested in an annuity in a life insurance company and he was getting Rs. 30 a month, on account of the exigencies of the financial situation, into which I need not enter, his Rs. 30 have become Rs. 10 because they cannot buy more than Rs. 10 worth of goods. All the 16 lakhs of policyholders in this country, because after all the number of policyholders is not large, are subjected to this indirect taxation and lose all their property. A thousand rupee claim fully paid in the form of a cheque by an insurance company will give to the claimant Rs. 300 of purchasing power; and a retired schoolmaster will find all his modest competence melting away before his eyes which he cannot help. That is the position of those who invest in life insurance. The poor widow who has been left by the well-meant tenderness of her deceased husband with a modicum of an annual income of Rs. 200 finds herself at the mercy of some charitable relations or friends because Rs. 200 will not buy all that she needs. All that had been left by her husband is lost because of the high prices due to the financial policy and the failure of Government. A maiden who is heir to a large fortune and expects a good husband soon finds that all her riches are melting away before her eyes and her only value in the matrimonial market is her charm and her virtue; the money portion is gone or at least reduced to one-third. Lastly, the poor orphan. He gets the same modicum as the retired man and a fair maiden who is expecting a good husband. The poor orphans—and their number in this country must be very large—are exposed to charity of somebody, or to starvation. This is the position due to the high prices of food, clothing, fuel and other necessities of life. Am I asking too much, Sir, that the

Government should expedite the working of their policy which has been so repeatedly announced and finally confirmed by His Excellency the Viceroy for these millions of people—all those who have got settled income, not excluding the innumerable people who are depending on fixed salaries and wages like one crore and two lakhs of Government employees in all parts of India including their wives and children. This is the economic position of the country and you have to deal rather more sternly than you have so far done with those who are profiteering at the expense of the poor. This is my submission in respect of the Food Department. I do not like the agitation against the Food Member as if he was the culprit. He is the Member who, after four years, has announced the correct policy and it is our duty, the duty of this House and the duty of the country, to support it and to demand from him a far more active policy in the direction in which we are anxious to move. But there is a tendency not to co-operate with Government in these things and to go on saying that nothing will happen until a national Government comes, which is like saying that we do not mind if the people starve until that ideal is attained. This is not a very patriotic policy. National Government may come; let it come tomorrow, but there is no reason why until it has come these forty crores of people must suffer from profiteers, adventurers and parasites. It sounds to me as a most unpatriotic thing. But I am not developing that point today. I have sent my written submission on food and other questions.

Then, Sir, the Overseas Member—I am sorry he is not here, but I am not going to say any hard things about him. All that I want to say is that our countrymen overseas, particularly in South Africa, are waiting for some action in the matter of the Reciprocity Act, which was passed by this House at the instance of my Honourable friend, Mr. Deshmukh. Then Sir, I trust that in the future interests of Indians in Burma will be properly guarded as we enter Burma as, I hope, we shall soon enter.

I think I have exhausted all that I wanted to say about the various departments. I have got one or two more things to say: In the provinces great efforts are being made by Governments to collect subscriptions for war loans. I am at one with them; I absolutely support the Government in raising loans wherever they can get in spite of their disastrous character to which I referred in the morning. That seems to me to be one way out of this wretched inflation and I am supporting them. But what I want is that the coercion that is applied should be, as far as possible, moral coercion: You can appeal to my sense of patriotism, you can appeal to my sense of self-defence, you can appeal and persuade me that in the interest of the country I should subscribe and if I have the money I shall do so. But the methods adopted by Government do not stop at persuasion. Sometimes pressure is applied which is not desirable, sometimes the pressure that is applied is illegal, sometimes the pressure that is applied is intolerable. There appeared in the press, I think today or yesterday, a statement that the Collector or some Revenue officer in Bihar had called people and had issued a written circular that those who are paying, say, 500 rupees of land revenue must pay 50 per cent. of their income by way of loans, those who are paying, say, 3,000 should pay 33 per cent. by way of loans and those who are giving, say, 1,000 should pay 25 per cent. by way of loans. Persuasion to this extent is all right, but I have seen another circular issued by the collector of a district—I think my Honourable friend, Mr. Kailash Bihari Lal may be able to give me a copy if he has got it now—in the form of an official order to the people that they must subscribe. I think Government should not go to that length. It is not necessary in the interest of the country. It creates a prejudice against them and it creates hostility in the minds of those whom they want to persuade. If really the Government want to go in for that kind of levy on the rich, let them pass a statutory measure—I would be at one with them—so that the thing may be done correctly under an Act of the Legislature. While the Act does not exist and the Finance Member is able to boast that we have so much loans subscribed, and if the methods pursued are those, I do not call it a very natural or healthy state of affairs. I, therefore, appeal to the Government

[Mr. Jamnadas M. Mehta.]

that they should strictly countermand any activities of their over-zealous officials who try to extort money in this manner. If you want to extort money from the rich, do so by all means—not that I have any grouse or grudge against the rich man. I know that some of the taxation which is imposed upon him is not bitter, and I have every sympathy with my Honourable friend, Mr. Ram Rattan Gupta, in the manner in which he was stating his objections to the House, but the only answer to him is that we are at war and somebody must pay the money and that somebody must be the one who is able to pay.

Sir, this is the conclusion of my economic survey over the whole field of Indian administration during the war. I have only one last appeal to make to this House. My appeal is that there is a move in the House to throw out this Finance Bill. I would ask the Honourable Members on that side of the House not to do so. I would ask them to give consideration to this Bill on merits. I have tried to give consideration to it on merits. Political gestures can be made, but when a war is on, you don't want to be without any Government. The dangers of anarchy and confusion and chaos even against a most unpopular Government at the time when the Japanese are knocking at the doors of this country should be obvious to the most patriotic men and nothing will be lost if my Honourable friends on the other side realize that point and for the time being lay aside their political problems because they can be solved when the war is over. In the midst of the war these propositions are not going to be solved. We have ourselves made them more difficult. The Government is certainly justified to say that until there is some more light from us they are perfectly mystified. The original fault is theirs. They have created the situation; they are still fomenting the situation. But they are very incorrigible; you cannot persuade them. Therefore we have our duty to our country and our duty is that when an enemy is knocking at the doors of this country, political altercations must give way to the only one question and one question alone—fighting the war with all our strength, preserving the morale of the civilian population and giving encouragement to the twenty lakhs of soldiers who have drenched their all in the defence of this country. Sir, I have done.

The Honourable Sir Sultan Ahmed (Member for Information and Broadcasting): Sir, the only point concerning my Department which has been mentioned so far was the one which was raised by my Honourable friend, Mr. Krishnamachari. While he was dealing with the question of getting experts from outside

S. P. M. he referred to certain advertisements in the Papers concerning my Department. A number of posts which have fallen vacant in my Department have been advertised and referring to those posts he suggested and apprehended that most likely there would be an import of experts from outside for them. I may give this assurance to him and to the House that there is not the slightest idea of importing anybody from England or anywhere else outside India for any post for which the Indian taxpayer will have to pay, so far as my Department is concerned.

Dr. P. N. Banerjee: You are only using swadeshi goods!

The Honourable Sir Sultan Ahmed: Half of the posts which have been advertised will be paid for by His Majesty's Government. The rest will be paid for by the Government of India, and for those posts I can give the assurance categorically that nobody from outside will be imported.

There are no restrictions on applications other than those applicable to Government servants generally. It is not correct that those people who are in the Department will not be allowed to apply and their applications will not be considered. As a matter of fact they can apply subject to certain rules which are applicable to all the Departments. Those who are in the Department have got just as much chance as any person applying from outside the Department, subject, of course, to efficiency. Some of these posts will be filled in by the Department in consultation with His Majesty's Government's representatives in the Ministry of Information here. Others will be filled in by consultation with General Headquarters. Others will be filled in by reference to the Public

Service Commission and the lower posts will be filled in by the Selection Board in the Department itself. That will be the position. So, I have given the assurance that there would be nobody appointed from outside as an expert for this Department for which India will have to pay, and I have also explained the methods by which these appointments shall be made.

Rai Bahadur Seth Bhagchand Soni (Ajmer-Merwara: General): Mr. Chairman, Sir I support the motion for the consideration of the Finance Bill. I support it because we are still in the throes of the war which is yet to be won. War implies sacrifice on the people and we have to make it. Fortunately there are signs of the war terminating and Government here and elsewhere are considering post-war reconstruction. Nobody knows the shape of things to come but I take the facts as they are and if I intervene in the debate, it is out of a sense of my duty towards my constituency. The people of Ajmer-Merwara are modest and, I should say, are usually content with small mercies. But when their basic needs of life are not met, they have a genuine grouse, and they expect their representative in this Chamber to plead for a fair treatment.

Ajmer-Merwara, like Delhi, is a centrally administered area. Delhi receives all the attention it requires—and very rightly. But when I find that the needs of Ajmer, its neighbour, is not attended to, I have to remind the Government. During the last two or three years, Ajmer came to the mind of the Government of India when the Agricultural Marketing Office had to be located there for want of accommodation in Delhi. Such is the measure of attention we receive.

Sir, let me mention some of our grievances. The first and foremost is in respect of foodgrains. Ours is a deficit area and we depend on the Punjab for wheat. But our recent experience has shown that the quality of wheat and other foodgrains made available has been of a particularly poor variety. The Food Department, I dare say, is aware of our troubles and it ought to be possible for them, in collaboration with the Transport Department to ensure better quality and greater quantity of foodgrains at the prices fixed by the Government. Only by this means will the Government be saved of future losses over supply transactions. In this connection, I welcome the Food Rationing scheme for Ajmer. But this presupposes that there will be an adequate supply of essential foodgrains within the reach of the people. While offering the utmost co-operation in the working out of the scheme, I trust the Government will not disturb the ordinary trade channels from functioning. I also desire to point out that there should be trustworthy personnel to inspect the food supplies from time to time and thus create a spirit of confidence in the working of the rationing scheme especially at the teething stage.

Sir, having dealt with food I have to refer to the need for water supply and drainage facilities. I mentioned this last year also and it is my misfortune to have to revert to it again because the problem is there now in a more acute form. A study of the question has left the impression in the minds of the people of Ajmer that the Government of India, who are responsible for the administration of Ajmer, have never been serious about finding a permanent solution. So far as the people are concerned, they had supported the scheme of Mr. Griffin, who had recommended taking water supply from the Saraswati Valley, and they were further prepared to bear an additional 25 per cent. of the cost for completion of the project. But for reasons yet to be furnished, the scheme has been postponed. War is no doubt an excuse, but it should no longer be an excuse for postponing a scheme for supply of the most essential requirement to a fast growing city like Ajmer. Our people can never rest, and perhaps Ajmer will have to wage war against the Central Government, if even during this war this scheme is further delayed. If money could be found and means provided for feeding Calcutta and East Bengal, the people of Ajmer can ask for water at least. What is wanted is just the will to act and not a desire to postpone.

The contribution of Ajmer to the war is by no means negligible and in spite of the severe famine that waged for about 3 years, not to talk of the last year's

[Rai Bahadur Seth Bhagchand Soni.]

flood havoc, this small province is proud of its share in the war effort. We are also proud of the exploits of the Ajmer Regiment which are so well known to the Government. It is only appropriate in this connection if I made a reference to the zealous interest which the Commanding Officer of the First Battalion has been taking in its progress. I venture to express the hope that this regiment will not be disbanded at the termination of the war, but will continue to play its great role as part of the regular army.

There is another aspect of the war effort which Ajmer is proud of i.e., the achievements of the Railway Workshop in the manufacture of locomotives. A debate held in the other House last week has conclusively shown that with the best will in the world the Government of India cannot undertake the manufacture of locomotives in the Kancharapara and other workshops for 2 or 3 years after the war. In the circumstances, I venture to suggest that the existing workshop at Ajmer might be expanded and remodelled so as to suit the growing requirements in this direction. Indeed, this should have been done earlier during the present war. But on the principle of 'better late than never', I urge upon the Government to concentrate more and more on Ajmer for construction of locomotives so essential for war requirements as well as for civilian traffic.

Sir, I would give secondary place to questions like education and medical facilities in my survey of the needs of Ajmer, for people must get food and water in required quantity before they talk of education and health programmes which are also essential. So far as expenditure on education is concerned, I am glad to note that there has been a slight increase in secondary and primary schools compared to the budget estimates of the last year. But the increase is so much set off by the rise in the level of prices that one feels aghast at the leeway yet to be made up in making even a reasonable provision for a comparatively backward province thirsting for education. And our claim in respect of fifty per cent. of our municipal expenditure on primary education alone still remains to be met in accordance with Government's own promises. We have yet to see the fate of our small request regarding post-graduate classes in our college which is so essential. I dealt with the subject at some length last year and I do not propose to go over the same ground again. We have heard of the Sargent Scheme of post-war educational development which is good and commendable in itself. But, frankly speaking, I have a suspicion that the attention likely to be bestowed on Ajmer in post-war era for education will be no much better than what she is receiving now. This is the observation hardened by experience and I shall certainly be happy if the events turn out to be otherwise.

Sir, the same remarks are applicable to the provision made under the head "Medical". As a matter of fact, this aspect requires even more urgent attention than education, if people have to live in reasonably good health. I know that there is a committee presided over by Sir Joseph Bhore which is working hard with a view to publish a report which will be of invaluable help in solving the medical problems of the country. But we in Ajmer have not the slightest inkling of the measures that will be proposed for the centrally administered area. Sir, we are grateful to our Honourable Member for Education, Health and Lands who has recently been kind enough to pay Ajmer a visit. I hope he has educated himself with regard to our educational problems and cured himself of the Government's apathy towards our health question. Perhaps more frequent visits by Government Members will be better curative. In fact, it would be better if the Members of this House were to meet at Ajmer just for once to know what it is to live without water and what it is to live on with bad food and if they suffer in health to know what medical facilities are required.

Sir, we are putting up with these things and still doing our level best for the war and it is to implement that objective that I support the motion.

Khan Bahadur Shaikh Fazl-i-Haq Piracha (North-West Punjab: Muhammadan): Sir, I do not intend to say anything on the Budget itself or any other matter, but the one, to urge the cause of which, in this House, I have taken upon myself, that is, the Haj, and the importance of which I have always tried to impress upon the Government.

I would not have taken the time of the House again today if I had been allowed to complete my say, when I had the privilege of moving a cut motion the other day, in order to discuss the need for permitting the pilgrimage to the Hedjaz, and to provide facilities for that. The House would remember that when I got up to move the cut motion I had only a few minutes at my disposal before the House adjourned and the time allotted to my Party was finished. I therefore take this opportunity to express my views further and to finish what I had to say, with the hope that full attention and consideration will be given to the matter by the Government.

Sir, I had that day discussed the unwelcome Haj stopping policy of the Government and had tried to impress upon them, to dissuade them from stopping the performance of the Haj this year, by bringing forth the lame excuses of the dangers of the route and thereby to the lives of the pilgrims. Let me make it clear, and the Muslim Members will support me, that these reasons will not appeal to the intending pilgrims when we see that hundreds of thousands of Mussalmans have undertaken to lay their lives for the sake of the King and the Crown. No Mussalman, prepared, with a religious zeal, to go to perform a pilgrimage to the Hedjaz, in obedience to his Allah's Commands, would ever hesitate to die in His path. Sir, the Mussalmans will rather take such a death as a more virtuous one. If there be some supposed dangers, let the Government make as far as possible their own arrangements for the safety of the pilgrim ship, as they did in the beginning of the war, and I assure them that if, God forbid, in spite of that, there is a mishap, they will never be blamed for that. The Mussalmans take the responsibility upon themselves.

Sir, my next point was to say something for providing the ordinary facilities of daily life to the Haj pilgrims. This question has on several previous occasions been discussed on the floor of the House, and with all our efforts as members of the Standing Haj Committee for the past several years, we have been able to achieve but little. Even when the Government agrees on some points, years are taken to bring their decisions into action and into a practical shape. The office routine for examining matters is very slow, specially when officers are daily confronted with several problems of a serious and important nature, where the question of Haj probably cannot have its position, about the tail. Sir, in order to refresh the memory of the Honourable Members of this House, I would submit that in consequence to a Resolution passed by this House a Haj Enquiry Committee was appointed by the Government in 1929 to enquire about the arrangement of facilities to the Haj pilgrims at the pilgrim ports and on the voyage and make their recommendations. The Committee toured over the whole of India and gave a detailed report with 219 different recommendations. It took Government full eleven years to examine this report and to take action only on such few of them as did not involve an extra expenditure, so much so that in setting up Port Haj Committees the Government have saved a large amount of money which they had to spend every year previous to their existence. As the troubles of the pilgrims did not end this question continued to be agitated and a Resolution was moved in this House for the appointment of a Haj Officer in the Secretariat responsible for dealing with the Haj matters. Consequent to this Resolution Mr. Rahim was appointed to make fresh enquiries into Haj affairs in the light of the present day situation. Mr. Rahim also made a detailed report and made a number of recommendations in addition to those made by the Haj Enquiry Committee. The report has been under the examination of the Government for over two years, but nothing practical has been done so far. In order to give his recommendations a practical shape Mr. Rahim strongly recommended the appointment of a Pilgrim Officer in the Secretariat who could devote his attention entirely to work concerning

[Khan Bahadur Shaikh Fazl-i-Haq Piracha.]

the pilgrimage. Sir, we are thankful to the Honourable Dr. Khare that soon after he took over the charge of his Department, he made the appointment of a Pilgrim Officer though a temporary one, and that even for a short period. I hope that he will make the post a permanent one and that the finance authorities will have no objection to that, as after all that will cost a paltry amount. Sir, the Government of India have made themselves responsible for two religious departments only, in the country,—the Ecclesiastical and Pilgrimage to the Hedjaz, and the House will be convinced to support my demand when I quote to them the figures of the expenditure of budget for the current year on both the departments. Demand for the Ecclesiastical Department is Rs. 6,51,000 besides the expenditure that is incurred under the head defence as compared with Rs. 85,000 only for the head, Pilgrimage beyond India. Sir, it is a pity that the Haj question is so much neglected by the Government. The status of the Pilgrim Officer should be like that of an independent adviser, appointed from the public, to the Honourable Member in charge of the Department, just as there are so many other advisers in other departments of the Government of India. He should be vested with certain powers and authority to deal with matters pertaining to the Haj independently, without performing office formalities, in order to expedite the matters relieving thereby the Secretary of the Department of a good deal of pilgrim work. Sir, since the report of Mr. Rahim was brought before the House for consideration, we have had a number of meetings of the Central Haj Committee and had also two conferences at Bombay, to take the advice of the shipping companies with regard to the proposed improvements in the present pilgrim ships and in the future ones, but we have up till now not reached any definite conclusions in all the matters. I am, however, glad to inform the Honourable Members interested in the Haj that the conference was unanimous in having berthed accommodation for pilgrims in pilgrim ships. Sir, if the Honourable Dr. Khare continues to take a personal and keen interest in the Haj affairs, as he has been hitherto doing, we can hope that much will be achieved. But if there is nobody solely in charge of the work of the Haj continuously for several years to come, the sluggish office machinery of the Secretariat will take years to give a practical shape to the recommendations made by Mr. Rahim.

In order to invoke the shipping companies that undertake Haj traffic to provide the best of amenities to the pilgrims the best way will be to create a sort of competition among them, so that they may make their steamers more attractive and equipped with all the possible facilities for the pilgrims. Pilgrims should be allowed to travel by any pilgrim ship of any company they may like and the tickets purchased by them should also be valid for travelling in any pilgrim ship of any shipping company carrying pilgrim traffic.

Sir, so far as the condition of the pilgrims at the Port of Jedda and in the Hedjaz itself is concerned, both the Haj Enquiry reports, by the Haj Enquiry Committee and by Mr. Rahim are silent, as that was not the point of reference for purposes of enquiry and therefore none of them went there to see the affairs themselves. Sir, it was very important and extremely necessary to investigate into the affairs and condition of the Hajees in the Hedjaz, as they have to pass at least a month or two during the Haj season and where they have to face many troubles and inconveniences.

Sir, although there is a British Legation at Jedda and we have also an Indian Consul there, they are of no great help to the Indian pilgrims. Their existence there is more for political purposes than for any help to the Indians. The staff there is so small that they cannot possibly attend to the Hajees even when they land at Jedda. The accommodation at Jedda is so scanty that I have myself seen thousands of Indians lying in public streets. There are no adequate medical arrangements there for the Indian pilgrims which is an essential necessity in those days. The Indians have no approach to the Saudi Government for their difficulties and when they go to their own Consul, they are not attended to, at all. Nationals of other countries enjoy special privileges in the Hedjaz which are denied to the Indians. This is because their Government

have not much regard for their own nationals and for their sentiments. There are many *rubats* or *sarais* built by Indian princes and other philanthropists in the holy places of Mecca and Medina for the use of the Indians, but most of them are either usurped by the Arabs there or are in possession of the Hedjaz Government. If they be properly managed, I think they can best be utilised by the Indian pilgrims. Indian pilgrims also feel a great difficulty in taking the Indian currency notes with them. Ignorant people from the rural areas are generally not conversant with the currency notes and they are often cheated. Moreover they cannot keep the paper currency safe. It is not only lost, but is often spoiled with water. They should be allowed to take with them sufficient number of gold coins to meet all their expenses there. Gold coins are very easy to keep safe and also to get cashed at any place without any extra discount charges. The present number of gold *mohurs* allowed by the authorities to be taken to the Hedjaz for Haj purposes is very small. The number should be increased as the requirements of life have gone up so much and the prices of eatables and other commodities have risen enormously.

Sir, I would now take up the question of Kamran quarantine station which is an unnecessary burden on the Indian pilgrims. The keeping up of this quarantine is absolutely not required, since the rules of compulsory inoculation and vaccination of the Haj pilgrims were brought into force. From several years, the Hajees are not required to land at Kamran, but the pilgrim ships are required to call at the Island, perhaps to keep up the convention. The unnecessary calling of pilgrim ships at Kamran is not only expensive to the shipping companies, but is of great expense and trouble to the pilgrims in making payment of Kamran fees and also in prolonging their journey without any useful purpose. Sir, the question of abolishing the Kamran quarantine was discussed in the form of a Resolution in this House and the Government had promised to examine the question but nothing has come out so far. It is not known if any enquiries have been made in the matter or not and if they are made, what conclusions have the Government reached. Sir, the fees that are charged as Kamran Quarantine fees, from the Indian pilgrims, are absolutely unjustified, when no service is done to them in return. If the Government is bound to keep the quarantine station under some agreement with other Governments let them keep it on, and spend from the Government revenues. Why should the Hajees be held responsible for its upkeep and administration, when no service is done to them. Sir, with the courtesy of the Overseas Department, I am in possession of the Budget figure of the Kamran Quarantine station for the current and the last year. The House will be interested to know that a huge establishment of 163 persons, with monthly salaries from Rs. 22-12-0 to Rs. 1,350 is kept, with an annual expenditure of Rs. 93,325, with no work to do throughout the year.

Sir, the total demand for expenditure for the current year is Rs. 1,71,398 and was Rs. 1,72,647 from the last year. The whole annual expenditure is met from the pockets of the Hajees alone for which they get nothing in compensation. The Kamran Quarantine Fund of the Hajees, on the 1st of January, 1927 was Rs. 7,57,861-1-4 but the same was reduced to Rs. 2,65,670-15-9 only at the close of the year 1942, as the deficit budget, owing to the decrease of the Kamran fees, was met every year from this Fund. Taking into consideration the current year's demand and the last year's expenses, the Kamran Quarantine Fund, collected from the Hajees, will not only be reduced to zero at the end of this year but will be under debt to be paid by the future Hajees. It is a pity the pilgrims should be made to pay for the expenses which the British Government should ordinarily pay. To examine this question, I strongly urge upon the Government to appoint a committee of this House to visit Kamran and to examine the question of keeping or abolishing the Kamran quarantine and make a report thereon to be placed before the House for consideration. I think a small committee of the Members of this House should also visit the Holy land of Hedjaz in order to explore ways and means of making the conditions of the Hajees better, with the consultation, and co-operation and help of the Saudi

[Khan Bahadur Shaikh Fazl-i-Haq Piracha.]

Government. The Government should provide more funds to their Consul there in order to provide medical and other facilities to the Indian Hajees. I would also suggest that the Government should also consider the opening of the land route to the Holy land of Hedjaz and also to explore the possibilities of carrying pilgrims by aeroplanes. I understand that if the pilgrims are carried by aeroplanes there will not be much difficulty there.

Sir, if this year, as I hope, pilgrims are not stopped from performing their Haj, they should be allowed to carry for their use foodstuffs, rice, wheat, *ghee*, *dals* and other eatables for their use in the Hedjaz, for I understand that the foodstuffs there, are very scarce and dear. There are a good many rules and regulations for the pilgrims to follow, which need a wide publication for the benefit of the pilgrims. The Government have so far made no arrangements for their publicity and I would urge that all such rules and regulations and the Acts passed should be published in vernacular in a booklet. This has been a general public demand and has often been recommended by the Central Haj Committee and the Port Haj Committees. Sir, the Honourable Member in charge of the Department had, like myself, no time the other day to speak on the Haj question on behalf of the Government. I am sorry I do not find him here at present but I will request him through his colleagues to enlighten the House with the attitude of the Government on this important religious matter of the Muslims.

Sir Abdul Halim Ghuznavi (Dacca cum Mymensingh: Muhammadan Rural): Mr. Chairman, I find that neither the Honourable the Finance Member nor the Honourable the Transport Member is present in the House and I have to deal with these two Departments.

The Honourable Sir Sultan Ahmed: They will be coming in a minute.

Sir Abdul Halim Ghuznavi: Sir, one of the points that both these Members make is that the taxes in this country are much lower than the taxes in the United Kingdom and also that the railway fares in this country are much lower and bear no comparison with other countries. Therefore, they maintain, there is a justification of raising the railway fares by 25 per cent. The Honourable the Transport Member is not here but for his information I may quote what is prevailing in the United States of America regarding the railway fares and freights.

Mr. Chairman (Mr. K. C. Neogy): I realise that the question of railway fares may have a general bearing upon the economic condition of the country, but, as the Honourable Member knows, this would be strictly relevant to the discussion of the railway budget.

Sir Abdul Halim Ghuznavi: Sir, you yourself asked the Honourable the Transport Member day before yesterday as to what conclusion they had arrived at with regard to the 25 per cent. increase in fares. I am merely pointing out to this Honourable House what is happening in the United States of America. It is said: "We, Americans, are paying more today for most things we buy, but there is one outstanding exception, rail-road freight rates. They are the same or lower than before the war." The same is the case regarding the fares.

Now, Sir, in the name of anti-inflation the Honourable the Finance Member has been taxing us in various ways. Take, for instance, the Corporation tax. From every rupee of the excess profits he takes away the whole of the income. Excess profit tax in a rupee is As. 10/8, income-tax and super-tax is As. 2/2 and compulsory deposit is As. 3/2. That makes the whole of the excess profit tax which the Corporation can make and which is being taken away. Now, Sir, what is the position of the Corporation? These are all infant Corporations in this country and they have been bled white with the result that there will be nothing left for their future development. Take the case of a company which made a standard profit of 3 lakhs in 1939-40. The tax paid was Rs. 65,625 and the amount left for distribution was Rs. 2,34,375. Today the taxes have gone up so high that it leaves now only Rs. 1,84,375. These are the figures and

I challenge contradiction. That is on 3 lakhs of rupees standard profit. Now, on a standard profit of 5 lakhs of rupees the position is this. From 5 lakhs to 18 lakhs, except that the excess profit tax deposit has been increased, the net amount available for distribution is the same, namely, Rs. 1,78,125. That has become the position. I place these figures before this Honourable House to show that the Corporations have simply been wiped out by the way they have been taxed.

Now, the argument put forward is that that is a mere deposit and we do not take it away. But you have not said in any clear terms as to when you are going to pay us back that deposit.

The Honourable Sir Jeremy Raisman: It is in the law and it has already been stated clearly.

Sir Abdul Halim Ghuznavi: Will you kindly say what is in the law? I am ignorant of the law.

Sir John Sheehy (Government of India: Nominated Official): It will be paid back twelve months after the war.

Sir Abdul Halim Ghuznavi: Are we entitled to any interest on that deposit?

Sir John Sheehy: Yes, 2 per cent.

Sir Abdul Halim Ghuznavi: May I take it to be certain that 12 months after the war the forcible deposit that you are now asking us to pay will be returned to us with 2 per cent. interest?

The Honourable Sir Jeremy Raisman: That is the law.

Sir Abdul Halim Ghuznavi: And it can be repudiated.

Sir John Sheehy: Who can repudiate it?

Sir Abdul Halim Ghuznavi: But why can't the Honourable the Finance Member say it in clear terms?

The Honourable Sir Jeremy Raisman: I said it is the law.

Mr. Chairman (Mr. K. C. Neogy): If the Honourable Member desires a reply to his question, he should resume his seat.

The Honourable Sir Jeremy Raisman: I have said it is the law. My personal assurance is not of as much value as a statutory obligation.

Sir Abdul Halim Ghuznavi: I am now satisfied that after 12 months after the war I will get back my money which you have forced me to deposit now.

Now, Sir, I come to the next point, the death duties. You threaten to impose these death duties if not this year next year. Now, the position in this country is quite different from that of other countries so far as death duties are concerned. We have in this country Hindus and Muslims. Under the highest Court of British law, the Muslim *waqf alal Aulad* has been acknowledged. A Muslim can make a trust for the benefit of his children which is a good trust and he becomes not the owner but a trustee and you cannot take it away. Then, under the Hindu law there is the law of *Mitakshara*. Under this law there is no death in the Hindu family in the sense that the son and the son's son and so on become co-parceners with the man who is in possession of the property. There is no death in the sense that he cannot transfer it to somebody else. They are co-parceners themselves from the very beginning. So, it will be very difficult to realise the death duty in this country. How you will be able to realise the death duty, I, for one, cannot understand.

The Honourable Sir Jeremy Raisman: Wait for the Bill.

Sir Abdul Halim Ghuznavi: Sir, too much has been said about the control of prices. The control of prices, I should like to know for whose benefit. Not for the benefit of India. The benefit is for the U. K. and for U. S. A. You have controlled the price of jute, you have controlled the price of hessian. Who are the buyers? U. S. A. and U. K. You will not allow me to sell them direct. You have reduced the price for the poor cultivator. My Honourable friend shakes his head even without knowing what I was driving at. You have controlled the price of everything that U. S. A. and U. K. want. You have deprived me of the chance of making any profit by selling the goods direct. You will not allow me to export at my price. You have forced me to sell at the

[Sir Abdul Halim Ghuznavi.]

controlled price which you have fixed for the benefit of these two countries. What is the effect of that? The effect of that is this. The U. S. A., when they sell their goods to this country, they are not controlled. They take any profit which they choose. Whereas the Government of India by controlling the price of commodities in this country allows the benefit to go to U. K. and U. S. A. I will give one example to show how the one-sided arrangement works. I refer to the sale of gold. A year ago, if I remember aright, the Honourable the Finance Member thumped the table on the floor of the House and he threatened the speculators of Bombay about the sale of gold bullion and about the sale of cotton. He said, he would teach them a lesson if they did not behave themselves and if they made such huge profits out of the sale of gold and cotton. The Honourable Member threatened that he would put the whole machinery of Government into operation to make the speculators realise that they ought not to shoot up the prices sky-high for bullion and cotton.

The Honourable Sir Jeremy Raisman: I did teach them a lesson.

Sir Abdul Halim Ghuznavi: Yes, the Honourable Member did teach them a lesson, that is only for the Indian section and not for America or U. K.

The Honourable Sir Jeremy Raisman: Nonsense.

Sir Abdul Halim Ghuznavi: I am coming to the sense. You have not controlled the price of gold which you should have done in common with the control you have imposed on other commodities like jute, cotton, etc. Why did you not control the price of gold? Why did you stop me from importing gold into this country? Why did you restrict everybody from importing gold?

Mr. Chairman (Mr. K. C. Neogy): The Honourable Member will address the Chair.

Sir Abdul Halim Ghuznavi: The Government have only stopped me from importing gold direct. In fact the Government have prohibited private persons from importing anything without their permission. The Government took into their hands all control. To our utter amazement, the Honourable the Finance Member, the other day, was justifying the sale of gold in this country as it was conferring a great boon on the cultivators because they were getting a higher price for the wheat which they sell. This was a curious justification. I got down his speech word for word the other day. He said that "the agriculturist whose products were selling at four or five times the pre-war prices gets more gold for his wheat or paddy today than he would have got in the pre-war period". I wonder if the Honourable the Finance Member realises the fallacy of the transaction. Take it for granted that the agriculturist by selling the same amount of wheat and exchanging the proceeds for gold gets double the quantity today than he would have got before the war. Let me clearly analyse the nature of the transaction and see who profits and who loses. The agriculturist sells his wheat in the Indian market and gets a higher price than he would have got in the pre-war period and with this additional income he purchases gold which is sold at a price higher than the pre-war price or the prevalent price of gold in Great Britain. What does it mean? In other words, it means this: that the higher money realised by the agriculturist is passed on largely to the person who sells gold, so that while the agriculturist may profit to some extent, the Indian consumer of wheat is generally exploited both by the agriculturist and by the Government who sells gold.

The Honourable Sir Jeremy Raisman: Clear as mud.

Sir Abdul Halim Ghuznavi: Abuse is no answer.

The Honourable Sir Jeremy Raisman: Try it in the case of jute.

Sir Abdul Halim Ghuznavi: What is the selling price of jute?

The Honourable Sir Jeremy Raisman: Double the prewar price.

Sir Abdul Halim Ghuznavi: But how does it work out? My Honourable friend says that jute is selling higher than what it was before the war. You cannot compare the two commodities, wheat and jute. The Government have

reduced the price of jute and hessian for the benefit of U. K. and U. S. A. Don't talk of the price of jute. I am a jute man. You have reduced the price of finished products. My point is this, that the higher money realised by the agriculturist is passed on largely to those fellows who sell gold on behalf of U. K. and U. S. A. Why do not the Government put a ceiling price on gold? Whoever may be the seller, from whichever part of the world he comes, he shall not sell gold at more than the ceiling price. That would be for the benefit of India.

The Honourable Sir Jeremy Raisman: Have the bears been talking to you lately?

Sir Abdul Halim Ghuznavi: I am not a speculator myself. These bears and bulls seem to haunt my Honourable friend day in and day out.

The Honourable Sir Jeremy Raisman: Not me.

Sir Abdul Halim Ghuznavi: It is not me. I have heard the Honourable Member more than a dozen times talking about bears and bulls and the speculative transactions in Bombay, but luckily for me I am not a Bombayman. I am not a speculator.

Mr. Jamnadas M. Mehta: Luckily for whom?

Sir Abdul Halim Ghuznavi: Luckily for me. Otherwise I would have been a share office rat.

Sir Cowasjee Jehangir: Are there no speculators in Calcutta?

Sir Abdul Halim Ghuznavi: At any rate not for gold and bullion. Sir, I am sure you remember, as you were a leading Member of the House in those days,—the agitation in this country during the prewar era when gold was freely allowed to be exported from this country by Sir George Schuster, the then Finance Member. And in spite of the opposition in this House and outside the reply that Government gave was that they refused to levy any export duty on such gold and put forward the argument that normal trade should not be interfered with. One realises even more graphically the inequity of the present arrangement. Furthermore if Government think that the agriculturist may obtain a slightly larger amount of gold through the foodgrains which he sells the value of the gold which he is holding in store today is bound to fall when the war is over. And this will mean robbing the poor agriculturist. When the Government of the United Kingdom wanted to buy our silver they did not allow us to sell silver at the market prices which would have prevailed if there were no control in the United Kingdom market. They controlled the prices there in the United Kingdom and we could not sell the silver at the prevailing prices in India. But see the situation today. Openly and shamelessly they tell us that for the benefit of the agriculturist this gold is sold, but under a cover so that we may not see where the benefit went; it went to the United Kingdom and the U. S. A. and not to India.

Then about Sterling Balances. With regard to these sterling balances in London which India possesses today there has been a great misconception both as regards their origin and as regards their ultimate disposal. The sterling balances represent the goods and the services which India has delivered not merely to the United Kingdom but practically to every Allied nation. They represent in part the favourable balances of the trade in merchandise which India has had during the last five years of war with many of these countries. They represent also the value of the services rendered in India by Indian workers and the goods supplied in India to the Allied nations. Again by arrangement between Great Britain and India regarding the incidence of military costs a certain part of military expenditure not directly attributable to the defence of India is paid for by the United Kingdom. The cost of the maintenance of the Indian troops beyond the borders of India, such as troops that have played such a glorious part in the Middle East and parts of which are now in Sicily and Italy, is borne by the United Kingdom. But the fact is that part of their pay is being credited in sterling in London against a rupee-disbursed

[Sir Abdul Halim Ghuznavi.]

pay to them or to their families by the Government of India. And lastly, the favourable balances of trade in merchandise with the United States, South American countries and other nations instead of being credited in the currencies of those countries have all been allowed to accumulate in sterling. By the end of this financial year these accumulated balances are expected to amount to nearly one thousand crores and in a year or two they may amount to 1,500 crores sterling. This amount represents, as I have said, the privation, the blood and sweat of India, which India has undergone in a hundred different ways, and it also represents much of the resources of India which have been freely exhausted in supplying goods to the United Kingdom and other allied nations. There should be no question about the propriety of accumulating the sterling balances on the one hand or checking of the flow of the sterling balances on the other. It is a debt which Great Britain owes to India and which India expects will be discharged in course of time. But there is a growing distrust in India about the whole future of the sterling balances, a distrust which has been mainly caused by the agitation recently started in Great Britain and to a certain extent repeated in India. The Finance Member in his budget speech last year explained at great length the nature of the details of the financial settlement arrived at between His Majesty's Government and the Government of India. He pointed out the general principles under which allocation of expenditure between the two Governments was made. The Finance Member has recently explained still further, in view of the doubts expressed in this country, the justification for the burden imposed on India. He has explained fully the manner in which this allocation has been made. He has pointed out that the defence of India is purely a responsibility of the Government of India and that the cost of Indian war measures is a liability of the Indian Government. General defence, apart from purely Indian defence, is a responsibility of His Majesty's Government. The Finance Member has also pointed out that what constitutes India's war measures and other things required for the defence of India is just certified by the Commander-in-Chief. In the actual allocation it is the Auditor General who decides what expenditure, according to these general principles, should be debited to India and what to England. This expenditure is accepted both by the Government of India and by His Majesty's Government. Once the principles of general allocation have been fixed, it seems to me that having regard to the persons who are responsible for the application of these principles, Great Britain at any rate should be perfectly satisfied that the allocation is just.

Now let us see what is happening in this country as well as in the United Kingdom. In spite of these assurances and the statements made in India and the arrangement that has been arrived at between the two Governments, one is amazed to see that financial journals in Great Britain are now complaining about the hard bargain that the Government of India have made with the Government of England. Only yesterday we read in the local papers that the *Financial Times* of London has complained that it was a very hard bargain that India struck. This sort of thing has already started. The size of the Indian sterling balances seems to upset them entirely. The *Economist* raised that cry and it has been now taken up by the *Financial Times*. They have naively suggested this. We are coming to the point: Why there is fear in the minds of Indians. The *Financial Times* also has complained of the hard bargain with Britain and has naively suggested that the inflation in this country can easily be solved if the agreement with Great Britain is altered so as to make India contribute more to the war effort, as if India has not contributed to the last pie. India has contributed their blood, their money and everything they possessed; they possess nothing else now. The attitude of some of these economic and financial journals of London, which normally reflect the opinion of the Government there and are supposed to be influential in financial matters, has seriously upset public opinion in this country. The *Financial Times* further suggests that "a still further increase in sterling

balances is unavoidable"—mind you, this is what *Financial Times* feels—and yet a suggestion has been made that somehow or other these sterling balances should be reduced. In blunt language this is virtually an attempt at the repudiation of the sterling debts if not wholly at least in part. There is no parallel to the attitude that has been adopted by these journals in England. Sir, a debtor who has borrowed large sums of money, who wants to borrow still further sums in the coming months, suggests in the very course of borrowing that he must inevitably repudiate a part of the loan. Is it any wonder that Indian opinion is gravely suspicious of the whole affair and is beginning to feel that a large part of the sterling loans will never be repaid to this country?

Now, Sir, the idea that India has not played her part financially in this war, which is being propagated by the financial journals in England and which I regret to say is being fostered by a certain section of the Anglo-Indian Press in this country, is as preposterous as it is untrue. The burden on India of the war expenditure compares favourably with the burden which any other country has undertaken viewed from the right perspective. Take the pre-war Military Budget. You will find that against the basic normal budget of 36 crores, India's military budget in the coming year is 276 crores, nearly eight times the pre-war budget figure, in addition to the capital expenditure of 24 crores—an increase of nearly 800 per cent. over the pre-war budget figure. Taking the national income of the country as a whole and the proportion of the expenditure in relation to that income, India's contribution is at least as high as that of any other country—I should like to say that it is the highest in proportion to what India has been paying for this war. It is extremely sad to think that the contribution of India in men and money has not been adequately realized or is realized, and deliberate attempt is now being made to whittle it down. Sir, the other day His Excellency the Viceroy in his address to the Central Legislature referred to this magnificent contribution and stated: "I shall do my best to see that the debt is acknowledged and paid not only with tributes of words but with practical aid." I do not know what aid will be given to us. If His Excellency the Viceroy and the Government of India can assure us that the debt will be repaid in full, not immediately but within the next few years, it will go a long way to restore public opinion in this country. The full amount of the debt is not even appreciated. I refer to the fact that the Indian troops and Indian seamen overseas are being paid by Great Britain and that much of their pay is represented in these sterling balances or as I prefer to call them 'the I. O. U. of His Majesty's Government'.

But what is the pay that the Indian soldier and an Indian seaman gets? Is there any other section of the Army or the Navy which is fighting on the side of the Allies which can claim to be more effective and more daring and which has to its credit a better record of gallantry than the Indian Army on the battlefield? Is there any other section of the Allied armies which Great Britain has got at such low pay? And yet while this is not even appreciated, we hear a howl from the financial journals about the much accumulated sterling balances and about the hard bargain which the Government of India has driven against the Government of Great Britain. Englishmen must, if they are not to deserve the epithet of shopkeepers, be ashamed of this agitation which is typical of ingratitude.

Sir, I shall now deal with the question of how the sterling balances should be repaid. But before doing so I should like to point out to those who do not want more sterling balances to accumulate that it is quite easy to stop further accumulation of sterling balances if Great Britain ceased to purchase anything more from India and to require the services of Indians for any such purchases. It is better to do that than complain of accumulation of sterling balances. India is perfectly willing to continue to contribute to the war effort and to supply both men and resources provided they have no fear that these debts will be repudiated later. But the main criticism and the main fear of public opinion in this country is this, and I want to put it quite frankly. Apart from the

[Sir Abdul Halim Ghuznavi.]

present attempts to re-open the agreement about military expenditure it is feared that after a few years Great Britain may quietly repudiate the balance of the debt. Its loudly advertised position of a trustee for the poor Indian may not stand very much in the way of its coming to the conclusion after five or six years of instalment payment that it can no longer afford to pay the balance. In fact, new theories may be started. A re-examination of the whole position may be suggested and the financial newspapers and economists of Great Britain may put forward the view that the whole basis of this agreement was wrong and that on the basis of a re-examination India ought really to have a share of a thousand million sterling more of the expenditure for successfully waging the war. I want to ask the Government of India, both the British and the Indian Members—for I make no distinction between those who are in charge of Indian revenues and who are expected to look after the interests of India first and foremost—whether they have thought of any guarantee which His Majesty's Government could give in respect of liquidation of this enormously growing debt. Have they put forward any proposal to His Majesty's Government as to how this debt can be redeemed? Have they made any suggestions as to what portion of it is to be redeemed in each year succeeding the year of peace? They are now lending freely to Great Britain. A lender must however take into consideration the fact as to when and how his debtor will be in a position to repay his debt. It is a matter of common sense and common prudence that one should make certain that the borrower has the capacity and the will to pay back. Have the Government of India assured themselves of this? Are they not in a position today to state categorically that they are satisfied that His Majesty's Government will pay the entire debt without re-opening any agreement and without restarting any controversies as to the mutual obligations of these two countries? I hope, Sir, the Government of India would be in a position to answer fairly and squarely these questions which are causing a great deal of anxiety to the Indian public.

Now, Sir, about the export of articles. In the Commerce Department some years ago, there were some irregularities about exports and imports so far as this country was concerned. It was unavoidable, I agree. But what is the position today? The position is this that the Commerce Department has imposed limits. They have given quotas. A man who was not an exporter in previous years is not eligible to any quota for export or import. What was the position before the war? There were very few Indians who were in the import or export trade. The whole import and export trade was in the hands of the Europeans, the vested interests. At that time there were export advisory councils in the provinces. This was about 1940. They are no longer functioning. The Commerce Department is the sole authority to say whether 'A' can export or import, not looking into the matter that in 1941 or even before the war, many things were not exported from this country. So there could not be any merchant, be he an Englishman or an Indian, who could export those things. Now India is in a position to export. If you ban them from exporting now on the plea that you require these things, you are not allowing those goods to be introduced in those countries which after the war would be very useful for trade. The Commerce Department must remove all restrictions that are not required and go through the list of the goods on which they have put a ban against export.

I will give an instance. The mother of pearl button was never exported from India. They are being made in thousands and millions by hand in Dacca and you stop me from exporting to Ceylon, New Zealand, Australia and wherever it is wanted. Your excuse is that it is wanted in India. I say it is not. We have enough to supply India. The trouble is that you will not go through the list and find out what things are available. Your statistical figures come from the various Provincial Governments who take no interest in finding out the truth. You rely on their letters and you immediately stop export without making any inquiry yourself. If you could restore those export and

import committees which were functioning before, these troubles would not arise and India would benefit from exports and imports which you are preventing them from doing.

I will, Sir, briefly deal with the coal situation and leave it to you, Sir, to deal with it yourself. The coal situation is very acute and it is getting worse. The Honourable the Labour Member is not here. He would have benefited by hearing what I have to say about it. You remember, Sir, that I used to take great interest in coal in the years 1930 to 1932 in this House. At the beginning the Government thought I was criticising them unfairly about the purchases of their coal and the rates they used to pay. This war started in 1939. What have they done? I asked the Government of India to control the coal situation. In the last war, if I remember rightly, either one of the Members of the Railway Board or the Agent of the Bengal Nagpur Railway was asked to join the Board as Coal Controller. Under him was the Chief Mining Engineer with the Government and he had a civilian Deputy Controller, probably one of the *burra* Sahebs of Birmynre Brothers. Things went on smoothly, although one has to remember that there was not such trouble over shortage of wagons, lines and transport facilities as they are this year. But coal used to be purchased from outside and distributed to the railways and to the industrial concerns and for civilian needs. The present Labour Member has told us of some scheme that he intends to put before this House in regard to coal control. Beyond this nothing appears to have been done, first of all to fix the ceiling price of coal and to find out what quantity of coal was available. A gentleman was put in charge of Transport. He was the right man but he has no knowledge of coal mines nor does he know how to get the coal from the collieries. Suddenly the coal position worsened further in June last, due to the following facts. The labourers went away. Colliery labour is not permanent. They got better wages in the army. They got ration free, high wages, and men and women could work together if they chose. Then there was the harvesting of their own crops which were fetching much higher prices than before. Therefore, there was labour shortage throughout. That was one of the things which the Government of India had not foreseen; if they had done so, they could have easily tackled the situation. The second difficulty was the available transport. Transport was not available because there was no transport available. Most of the wagons and locomotives had gone to Iraq and Iran. Though there was 400,000 tons available, there was no transport to carry that coal to the various destinations which would have relieved the shortage from which all of us are now suffering. Then there was no organisation, it went on from chaos to chaos. Nothing doing, no man was responsible except that a Transport Officer was appointed. Railways were without coal, but the Transport Officer had nothing to do with railways; he was responsible for war transport only. And that is why 71 trains were stopped on the North Western Railway. Nobody looked after the railway coal. Before the last war, during the interim period and before the present war, the Chief Mining Engineer was responsible for coal for the railways. Now, he is not responsible, the whole responsibility has gone to the Transport Officer. He knows nothing about mining, nothing about the coal position. He did not come in contact with the colliery owners or merchants. Besides, his duty was to see only to war transport, and his duty ends there. On the top of all that, after a great flourish of trumpet, came Mr. Young. Though his name is Mr. Young he is very old. (Interruption.) He does not know his job, that is what I am told. He has not got a mining certificate, and what does he know of mines? Transport of India—he had no experience of it, except that I heard that he had been found unfit in the North Western Railway some years ago.

Dr. P. N. Banerjee: That was his great qualification—unfitness!

Sir Abdul Halim Ghuznavi: And that gentleman was brought with a flourish of trumpets on Rs. 6,000 a month.

An Honourable Member: More than an Executive Councillor?

Sir Abdul Halim Ghuznavi: Yes, he himself told me. I am the Chairman of the Colliery Association and I had to meet him. He cannot make up his mind one way or the other, and there is thorough non-co-operation with every one.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadian Rural): What about dearness allowance for him?

Sir Abdul Halim Ghuznavi: I wish him all success, but I submit that a man who wants to be at the top of something must know that thing before he can order. Otherwise his order will not be accepted by those who know that he does not know what he talks about—all bunkum. But there was a simple method which they would not adopt. There are so many Members of the Railway Board. Appoint one of them as Coal Controller here, and put the Chief Mining Engineer and this Transport Officer together, and things would have gone on smoothly. Make the Chief Mining Engineer responsible for the availability of coal, because he gives you statistics of figures of coal. He is responsible for the figures provided to Government. Make him responsible for providing the quantity of coal, make the labour position easy. If what the Labour Member said today is carried into effect I think that it will go some way in easing the situation. After all it is not jute business, that jute will come every year and manufacturers can afford to put up a lower price forcibly which the Government of India dictates for the benefit of the United Kingdom and the United States. There is a huge contract with the U. S. A. and the jute mills were forced to sell at a ridiculously lower price, much below cost price to the mills, but the mills did not make any loss, they made it up from the poor cultivators. That is how the control price works, not benefiting us, not for us, but for the benefit of the United Kingdom and the United States. Why should the colliery owner raise more coal, because the more he raises the more excess profit you take away.

An Honourable Member: No, no.

Sir Abdul Halim Ghuznavi: If my Honourable friend, the Labour Member, had made that statement two years ago, things could not have come to this pass. Now, you have been taught a lesson that they would not raise any more coal only to pay the profit to the exchequer, and now you have condescended to take into account war bonus, war allowance, etc. As if you are being generous! Your heart was not so generous then, but you are forced to be generous now.

The Honourable Sir Jeremy Raisman: It is all the blood and sweat and toil and tears of the poor colliery owner!

Mr. T. Chapman-Mortimer (Bengal: European): I do not know whom you mean by "you". You are talking all the time of "you". Does the Honourable Member mean me?

Dr. P. N. Banerjee: The European Group.

An Honourable Member: The Europeans.

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan Rural): The colliery owners.

Sir Abdul Halim Ghuznavi: Mr. Chapman-Mortimer once cut a joke with me about "who". I will give my reply later.

Mr. Chairman (Mr. K. C. Neogy): The Honourable Member had better proceed with his speech.

Sir Abdul Halim Ghuznavi: Government was forced to announce what the Honourable the Labour Member had done. If they had not done that, you cannot expect any coal mine owners to exhaust their mines and pay your exchequer and derive no benefit from the excess of coal that they produce for the necessities of war. The Honourable the Finance Member laughed at me and said that this is the sweat and blood. He forgets that in his own country the coal mine owners had done the same thing; they had extracted the same thing there.

Mr. Hooseinbhoy A. Lalljee: This is westernised public spirit!

Sir Abdul Halim Ghuznavi: I say this is from our sweat and blood, because look at the taxes you have increased since 1939, and the excess profits tax that you are levying. The position is that with the present taxation I have to pay twice over. This year I shall have to pay quarterly in advance and also pay last year's tax. If I go on like this, nothing will be left for me in the name of deflation. There will be no money in my pocket and the only way of saving myself from this taxation is to put in a petition of insolvency. I cannot make any income. What is the use of making an income and paying it away to Government. It is much better not to make any money and live on what I have made. If you go on taxing and taxing, there will be no other remedy but the one I have suggested.

Sir, I cannot be accused of taking a very long time. I will now come to the question of food but before dealing with the food question I wish to make a reference to my Honourable friend, Sir Jeremy Raisman, in regard to something which he will appreciate. I am not saying this by way of criticism but by way of assisting him and also asking him to assist us in our work. In Bengal, there is a Defence Loan Committee of which I am the Chairman and there are two Secretaries under me, Mr. Hirtezel and Mr. Singh Roy. Day in and day out, we are working to make this defence loan a success in Bengal and I am proud to say that we have succeeded beyond our expectation. I wish to pay my tribute to my committee and my two Secretaries for the work they have done in Bengal in raising these defence loans under such difficult conditions, with the Japanese raiding Chittagong and other places. In spite of these raids and these bombs which fell in Calcutta, our defence loan committee continued to work and bring in as much money as could possibly be done. Only the other day Mr. Gladstone, the Sheriff of Calcutta wrote a letter to the *Statesman* complaining that he would be the last person to advise anybody to buy a savings certificate and his reason was that the complication in the withdrawal of a savings certificate is enormous. That has been replied to by Mr. Hirtezel. In spite of that Mr. Gladstone, the Sheriff, says that these certificates are the small investor's means of saving and helping the war effort and he says that everything should be done to make things easy for him and reduce complication. I pass on this suggestion to the Honourable the Finance Member and ask him if he would help us in making these certificates less complicated, so that we can be more useful to him in getting him more money in the shape of these loans.

Now, Sir, I come to deal with the food question and I trust that every Bengalee will hear attentively what I have to say if he wants to show his face in Bengal. The famine of 1943 was worse than the famine of 1770. When I conclude my statement on the food question I will read a paragraph on what was said about the famine of 1770 and what the Anglo-Indian journal, the *Statesman* has said about the famine of 1943.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

My first point is that so far as the food question is concerned, it must be the responsibility of the Government of India. It must be treated as an all-India question; the Government of India must not make this the responsibility of the Provincial Governments. In all provinces, the Government of India must take the responsibility for food. Whether it is a surplus province or a deficit province, the Government of India must see to the food position in the various provinces. The 'Grow more food' campaign will not help merely by saying 'Grow more food' and making speeches at the Peliti's restaurant or the Firpo's. The 'Grow more food' campaign must be followed by giving aid to the agriculturists in the way of seeds, implements and loans, so that they can grow more food. I challenge the Government of India's figures which they obtain from the provinces and from the province of Bengal in particular, saying that the percentage has been increased by so much. I question that

[Sir Abdul Halim Ghuznavi.]

because the figures you get from the provinces are not accurate and cannot be accurate inasmuch as you have got no organisation to collect the statistics in the provinces. You must remember that in England, before the war, the self-sufficiency was only 30 per cent. After the war, by means of 'Grow more food' campaign they have raised it to 66 per cent. I quote this on the authority of this book called 'Economic Intelligence Service, War time Rationing and Consumption'. I am quoting these figures from this book. So far as rationing is concerned, you have started at the wrong end. In England, basic food has not been rationed while basic food is rationed in India. I say that this is inhuman, that basic food should be rationed. They do not want to give us a morsel of food. In England, Mr. President, the basic food is not rationed. Bread and flour are free and so are the cereals and potatoes. You start rationing with our basic food, rice and wheat. Even that you do not give us enough to feed ourselves, leave alone the feeding of the labourers. Mr. Kirby, who is the Rationing Officer in India, has been quoting the rationing system of the United Kingdom and I would like, therefore, to point out to him that in the United Kingdom the basic food has not been rationed.

The Honourable Sir Jeremy Raisman: You have said that four or five times now, and it is not even true.

Sir Abdul Halim Ghuznavi: We are all grateful to Major-General Wakely and his colleagues because they saved Bengal last year by rushing food to the villages. We are grateful to His Excellency the Viceroy and also His Excellency the Commander-in-Chief because they have saved Bengal. I have got pictures of those days, a copy of which I shall place on the table.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot do that.

Sir Abdul Halim Ghuznavi: My friend laughs even at the death roll which I wanted to show.

Mr. President (The Honourable Sir Abdur Rahim): Will the Honourable Member speak up?

Sir Abdul Halim Ghuznavi: I have lost my voice, Sir. I had influenza for six days. What we want in Bengal is this. Early in the war many officers who were engaged in the transportation service of Bengal were recruited for the army and much material such as, locomotives, steamers and barges, was sent to Iraq and other places for war purposes. The result of it has been that Bengal has been denuded of a large percentage of her peacetime transport facilities.

Mr. President (The Honourable Sir Abdur Rahim): All that has been said before.

Sir Abdul Halim Ghuznavi: But I must mention this in connection with food.

Mr. President (The Honourable Sir Abdur Rahim): But all that has been said more than once.

Sir Abdul Halim Ghuznavi: The food debate took place more than once and it must have been said on those occasions.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member would be perfectly relevant in referring to any fresh development in the food situation, but on the Finance Bill he cannot reopen the whole past history.

The Honourable Sir Jeremy Raisman: Is the Honourable Member complaining of the export of foreign experts now?

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member will go on.

Sir Abdul Halim Ghuznavi: Sir, unless the Government of India carry out the suggestions that I am going to make here and now, I can tell them that there will be another famine next year in Bengal for which we have

to be on the look out. My suggestions are these. We want at least 500 lorries to be placed at the disposal of those who are rushing food in various parts of the Presidency. We want boats which have been destroyed by the denial policy. Flats in their hundreds are required. In the interior of East Bengal no rice can go by train: it can go only by means of bullock-carts, boats and flats. Those are the only systems of transport that prevail in Eastern Bengal. At least 100 flats and 50 steamers must be procured if Bengal is to be saved from another famine. Rice will not be sent out in the interior if these flats and these steamers are not available. They are all sent out to Iraq and Iran. They can be brought back at once as they are no longer required there, but they are badly required in Bengal. No steps up till now appear to have been taken to build more steamers and barges in India for India. Steamers and barges must be built at once. We must have a long-term policy because the war is not going to end so soon as one would like it to be. The Assam Bengal Railway is badly in need of locomotives. At least 25 more locomotives are required if you want food to rush into Eastern Bengal. So, steamers, flats, barges, boats, locomotives, wagons, and even bullock-carts and bullocks are required. The Government of India can easily get a list of all these from their experts who are running their show in Bengal so far as food is concerned. The Midnapore cyclone has practically caused a heavy loss of bullocks, both for carts and for ploughs. Therefore, these bullocks have to be obtained from other parts of India and sent to Bengal if they want to save the situation. Every form of transport is required, from the primitive bullock-cart and country boat to the broadgauge locomotives if the next famine is to be averted. The main thing is that the question must be handled at once and there should be no delay. Also, the officers who are in charge of food arrangements in Bengal may be kept for another year or two and they should train the people of Bengal to avert the next famine.

I will not take up any more time of the House and conclude by saying that the famine of 1943 was a much more severe one than that of 1770. Anybody who reads the *Statesman* will find the nature of the famine that we had last year. I warn the Treasury Benches that if they do not want a repetition of the famine, they should take note of what I have said. They should take steps at once to complete the transport arrangement so that rice may be sent in the interior and in the villages.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, in 1940, when the first Finance Bill after the war was brought, I gave my full support to that measure.

An Honourable Member: By mistake.

Sir Muhammad Yamin Khan: No, it was not a mistake. It was quite right at that time.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): Such mistakes are so many.

Sir Muhammad Yamin Khan: I was then quite right. The Government deserved the support at that time and I gave my whole hearted support quite rightly. We were just then within a few months after the war started and we did not know what turn the war would take and how the war would proceed and what the circumstances of the country would be. Therefore, Sir, it was a modest demand which was made by the Honourable the Finance Member when he introduced the Excess Profits Tax and when he levied the extra burden that he wanted to, on account of the war, on the country and that burden at time was limited to eight crores. At that time eight crores seemed a very big sum. When I was reading the debates of 1940 on the Excess Profits tax and on the Budget, I found that even those Honourable Members who seem to be quite willing to vote for this huge Budget thought that eight crores was a very big sum. Now that we are confronted with a Budget of over 300 crores for war purposes alone, it does not mean that we should not refer to what the people thought of eight crores at that time. I

1148

LEGISLATIVE ASSEMBLY

[22ND MAR. 1944]

[Sir Muhammad Yamin Khan.]

was surprised when some of the Honourable Members of this House—elected Honourable Members—got up and began to congratulate the Honourable the Finance Member on the presentation of this Budget and when they started by saying that this is a war and therefore they wanted to give a *carte blanche* to the Honourable the Finance Member to go on spending as he likes and tax the people as much as he likes, and take the money from people who could not afford to pay anything at all. If that was the attitude of those Honourable Members, then I do not think that their constituencies would support them in that view.

I wanted to bring certain points to the notice of the Honourable Members of the European Group, but unfortunately I find that neither the Leader nor his followers are present in the House just now. I wanted to point out to them what the Leader of the European Group said in 1940. As none of them is present on those Benches now, and as the whole Group is absent, I should like to reserve my remarks relating to them to a later stage when they will be present.

Now, I see my Honourable friend the Commerce Member is present and therefore I should like to draw his attention within the few minutes at my disposal, before the House will rise for the day, to some aspects of his Department. The other day when I asked the Honourable the Finance Member as to why he did not take proper measures to control prices in the past or earlier than what he has done, he taunted me by saying 'why did you not ask for such control before'. I want to refer the Honourable Member to my speeches since 1939, soon after the war was declared. I even then warned the Government that they should take immediate steps to control prices. I quoted then the example of certain commodities the prices of which, within the short interval after the war was declared, began to rise by leaps and bounds. This was the case with regard to several commodities. I pointed out then that there was to be effective control of price of all the commodities. I then drew the attention of the Government to the price of medicines, for example. I cited the instance of a medicine for one injection which required about a rupee at one time and which had gone up to something like Rs. 16 and this was a month or so after the war was declared. Simply the poor people could not get it.

The Honourable Sir M. Azizul Huque: To which debate is the Honourable Member referring?

Sir Muhammad Yamin Khan: I am referring to the 1939 Debates, Simla Session and onward. You read them.

The Honourable Sir M. Azizul Huque: Yes, I have to.

Sir Muhammad Yamin Khan: Then, I drew the attention of the Honourable Member to the fact that the price of iron bars had gone up from Rs. 7 to Rs. 13. At that time, Sir H. P. Mody was also in the House, and the reply that was given to me was, "We are supplying to our dealers at the same cost, if they are making money, we are not responsible for that". I then drew the attention of the Government to this, and my Honourable friend now comes up and asks me why the attention of the Government was not drawn at that time. I do not say that the Honourable Member himself was present then at that time, but his Department and the Government of India as a whole was functioning then. I then pressed upon the Government of India that action should be taken then and there to stop the rise in prices and that proper control should be introduced. What the Honourable Member was faced with in 1943 and the results of what he wants to achieve in 1944—if proper steps had been taken in 1939, if proper precautions had been taken in 1939, probably all these difficulties with which he is faced now would not have arisen and perhaps India would not have suffered to such an extent as she did in 1942-43 and probably suffering now in 1944.

I will bring to the notice of the Honourable Member one thing. I am sorry the people who deal in this commodity are not present in the House, I am sorry that neither Mr. Chapman Mortimer nor the Honourable Sir Edward Benthall is here in the House now. I learnt yesterday that the price of cement has gone up from Rs. 3 to Rs. 4-2-0 per bag in Delhi. This is a controlled product. Cement used to be supplied at Rs. 52 a ton to the Government and that used to be the price ruling in Delhi. Now the price which the buyer has to pay is Rs. 4-2-0 a bag since day before yesterday. This works out to something like Rs. 80 a ton, instead of the controlled price of Rs. 52 a ton. This is being done under the very nose of the Control Department of my Honourable friend sitting over there.

I will draw the attention of the Honourable Member to another commodity whose price also is rising. My Honourable friend said the other day that nobody is allowed to charge more than 20 per cent. of the prewar price. What is the price of batteries now? If you want a 12 volt battery for your motor car, you cannot get it for less than Rs. 137. You could easily get batteries in 1940-41 for Rs. 50 or Rs. 60. After 1941 no batteries were imported. Now the control price is Rs. 137. How is it that the Honourable Member says that he is allowing only 20 per cent.?

The Honourable Sir M. Azizul Huque: I never said twenty per cent. All I said was 20 per cent. of such rate as may be fixed by the Controller General.

Sir Muhammad Yamin Khan: That may be.

The Honourable Sir M. Azizul Huque: It is not 20 per cent. over the prewar price; it is 20 per cent. over the manufacturing or landed cost.

Sir Muhammad Yamin Khan: Landed cost. Did the Honourable Member import any batteries within the last two years? If he did not, then all the batteries were there and the landed cost must have been less than what they were selling at in 1941.

The Honourable Sir M. Azizul Huque: No doubt that is good logic, but that is no argument.

Sir Muhammad Yamin Khan: If the battery was selling at Rs. 50 or Rs. 60 in the market then, then certainly it must have passed through two or three hands, and therefore it must have been imported at the most at Rs. 40; now it is being sold at Rs. 137. Because several big firms are dealing in these things the Honourable Member cannot lay his hands

S. P. M. on them. That is why he calls this control. Where is the control? There is control where a poor man is to be caught but not one big fish can he catch. They escape easily through his net.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member may continue his speech tomorrow.

The Assembly then adjourned till Eleven of the Clock on Thursday, the 23rd March, 1944.

LEGISLATIVE ASSEMBLY.

Thursday, 23rd March, 1944.

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

MEMBER SWORN:

Sir Olaf Kirkpatrick Caroe, K.C.I.E., M.L.A. (Secretary, External Affairs Department).

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWER.

EXCISE DUTY ON TOBACCO.

601. *Mr. Akhil Chandra Datta: Will the Honourable the Finance Member be pleased to state:

(a) the total amount of excise duty levied and collected under the Tobacco (Excise Duty) Act, 1943, up to the 31st January, 1943;

(b) the Government's estimate of the yield of the tobacco excise duty for 1944-45;

(c) the total amount of excise duty actually collected on the stock of cured tobacco and on the stock of all tobacco products found in British India on the 1st of April, 1943;

(d) the rate or rates at which the said stocks have been levied; and

(e) whether that portion of the said stocks which consisted of stalks, stems and other refuse of tobacco has been assessed at the rate of one anna, or whether the entire stock has been assessed at the rate of six annas per pound?

May I point out, Sir, that in part (a) of this question, the date given is an obvious clerical error. It could not have been 31st January, 1943, when the duty was not imposed at all. It ought to be 31st January, 1944.

The Honourable Sir Jeremy Raisman: I prepared my reply on the assumption that what was meant was the 31st January, 1944.

(a) Rs. 6,70,23,000;

(b) Rs. 20.50 crores;

(c) The greater part of such stocks of cured tobacco was stored in bonded warehouses and removals for consumption have taken place gradually through the year, side by side with clearances of newly cured tobacco; and some portion of those stocks is still in warehouses. It is impossible therefore to state the duty actually collected on such stocks. No duty was collected on the stocks of manufactured tobacco products held on the 1st April as these goods were not liable to duty;

(d) The rates prescribed under the Tobacco (Excise Duty) Act;

(e) Stalks and stems which had been separated from the leaf at the time of assessment and could be separately weighed were assessed at the rate of one anna per pound; those which were still attached to the leaf, and stalk, stem and other refuse of tobacco, which were mixed with other forms of cured tobacco, and could not, therefore, be separately weighed, were assessed at the rates of duty appropriate to the tobacco to which they were attached or with which they were mixed.

EXCISE DUTY ON TOBACCO.

602. *Mr. Akhil Chandra Datta: (a) Will the Honourable the Finance Member please state if it is a fact that *khakri*, *khuntan* and *galia* which are really refuse of tobacco are charged at the highest rates of the scheduled excise duty?

(b) Are stalks, stems and other refuse of tobacco which are invariably mixed with *biris* and snuff charged at a lower rate than the bulk of the higher quality of tobacco? If so, what is the exact procedure followed for ascertaining the respective quantities of refuse and the dust of the *biri* and snuff?

(c) What has been the effect of the excise duty on tobacco on retail prices, comparing the prices as in February, 1943 and January, 1944?

(d) Are Government aware that *biri* and snuff tobacco contains invariably an admixture of stem, stalk and other refuse of tobacco?

(e) Is it not a fact that usually 25 per cent. of the *biri* and snuff tobacco consists of stalk, stem and other refuse tobacco?

(f) If the reply to (e) is in the affirmative, has the tax been levied up to now on this basis of the proportion? If not, do Government propose (i) to refund the amount that has been assessed on the stalk, stems and refuse portions, and (ii) to take steps in future to prevent taxing of stalks, stems and refuse tobacco at a rate higher than one anna?

The Honourable Sir Jeremy Raisman: (a) Tobacco described as *khakri* or *khuntan* is not refuse of tobacco, but is tobacco of the ratoon, or second, crop. The term *galia* or *gadia* is reported to be applied in Western India to an irrigated crop grown in a particular taluka and in Eastern India to an inferior quality of flue-cured virginia tobacco. Such tobaccos are assessed at the rates of duty appropriate to their intended use.

(b) The attention of the Honourable Member is invited to my reply to part (e) of his starred question No. 601.

(c) The effect which the excise duty has had on retail prices of tobacco products varies with the nature of the product and the weight of cured tobacco contained in it. Thus, if the goods are *biris* and the weight of the tobacco content is two-thirds of a pound, the increase in price attributable to excise duty is four annas; if they are *hookah* tobacco and the tobacco content amounts to 50 per cent. the increase of price due to the excise is half an anna.

(d) and (e). It is not the case that *biri* and snuff tobacco invariably contain an admixture of stalk, stem and other refuse of tobacco. Stems, when properly treated, can be used in the manufacture of a number of tobacco products; and manufacturers who are not particular about the reputation of their products, or who make inferior grades, may, in order to reduce their costs, include a certain quantity of low grade tobacco. The proportion of inferior tobacco so added varies from one manufacturer to another.

(f) As indicated in my reply to part (e) of the previous question, stalks, stems and other refuse of tobacco are assessed as such when they are exhibited separately at the time of assessment.

Mr. Akhil Chandra Datta: As regards chewing tobacco, is it a fact that at Bombay chewing tobacco is taxed at the higher rate because in the absence of any evidence as to whether it is to be used in *biris* or snuff or whether it is to be used as chewing tobacco, they are taxed at the same rate?

The Honourable Sir Jeremy Raisman: Sir, the usual principle of taxation is that when an article can be used for either of two purposes, until it is clear which purpose it is going to be used for, it is liable for duty at the higher rate. This tobacco is capable of being used for *biris* and until it is clear that it is intended to be used only as chewing tobacco and not for *biris*, it must be liable to the higher rate.

Mr. Akhil Chandra Datta: Is it a fact that when the chewing tobacco is intended for people who deal exclusively in chewing tobacco, even that tobacco is always taxed at the higher rate, and is it a fact that Bombay merchants have been paying the higher rate under protest and making representations for relief?

The Honourable Sir Jeremy Raisman: My information is that certainly the first statement is not correct. As regards the second I should require some notice.

Dr. P. N. Banerjee: With regard to the statement made by the Honourable the Finance Member that it is the principle to tax at the higher rate, where is this principle laid down? Will he tell me his authority for saying that?

The Honourable Sir Jeremy Raisman: I said it is a regular fiscal practice. For instance, in the case of customs. . . .

Dr. P. N. Banerjee: That may be so, but it is not a principle.

The Honourable Sir Jeremy Raisman: It is a practice. Obviously if you do not levy the higher rate then you are opening the door wide to evasion.

Mr. Akhil Chandra Datta: Why not give the benefit of doubt to the merchants instead of to Government.

The Honourable Sir Jeremy Raisman: Because it would be quite impracticable to administer the law.

SPECIAL ALLOWANCE TO BRITISH JUNIOR MARRIED OFFICERS IN INDIA.

603. *Mr. K. S. Gupta: (a) Will the War Secretary please state if it is a fact that the Government of India sent proposals to His Majesty's Government for the grant of special allowance to British junior married officers in India? If so, does he propose to place the whole correspondence on the table of the House? If not, why not?

(b) What necessitated the Government of India to make such proposals?

(c) How many of such British junior married officers are in India at present?

(d) What is meant by junior? What is the maximum period of service for a British officer to become senior?

(e) How many of them are New Zealanders, Africans, Australians, Canadians, Scotch and English?

Mr. C. M. Trivedi: (a) and (b). Yes, Sir. I would draw the attention of the Honourable Member to the answer given on the 17th of March to the short notice question asked by Mr. T. S. Avinashilingam Chettiar. The correspondence on the subject is confidential and I regret I am unable to place it on the table.

(c) and (e). I am unable to give the information asked for by the Honourable Member, as no decision has been reached.

(d) The term "junior" means below the rank of Major. Provided his service is satisfactory, the maximum time for a regular officer to become a Major would be 17 years, and I may state that in actual practice at the present moment, the period is much shorter.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether the Government intends to make such a proposal. If no proposal has yet been made, may I know if such a proposal is intended to be made?

Mr. C. M. Trivedi: I would refer the Honourable Member to the reply given by me on the 17th March to the short notice question by Mr. Avinashilingam Chettiar, which answers the Honourable Member's point.

Mr. Lalchand Navalrai: May I know, 'yes' or 'no', whether a proposal has been made?

Mr. C. M. Trivedi: It was stated in reply to the short notice question by Mr. Avinashilingam Chettiar that the Government of India has made certain proposals.

Mr. Lalchand Navalrai: May I know from the Honourable Member whether any proposals are being made or that the Government is going to grant the same allowances to Indian officers?

Mr. C. M. Trivedi: The question of the Indian officers is not on the same footing as the question of the British Service officers.

Mr. Lalchand Navalrai: What is the difference? They are both married.

Mr. C. M. Trivedi: The difference is that the British Service officer's emoluments in India are based on the rates he receives in the United Kingdom. In the United Kingdom, as I explained in answer to the short notice question by Mr. Avinashilingam Chettiar, certain allowances are exempt from income-tax, whereas in India that is not the case. Again certain allowances paid to British officers in England are paid in kind and there is no income-tax on those allowances. As a result of the incidence of income-tax in India, the British Service officer in India actually receives less and in some cases not appreciably more than he would receive in the United Kingdom, and it is an accepted principle that a British service officer serving overseas should receive more pay than he receives when serving in the United Kingdom.

Mr. Lalchand Navalrai: Does the Honourable Member know that the conditions as regards living have increased. Will the Honourable Member consider that question?

Mr. C. M. Trivedi: These proposals are not based on the increased cost of living.

Sardar Mangal Singh: May I know whether the proposal is to increase the marriage allowance or grant a new marriage allowance?

Mr. C. M. Trivedi: No decision has been reached yet.

Sardar Mangal Singh: But what is the proposal?

Mr. C. M. Trivedi: The proposal is to give a very small allowance to junior married British service officers with children.

Sardar Mangal Singh: May I know whether the Defence Consultative Committee was consulted?

Mr. C. M. Trivedi: No, Sir.

Sardar Mangal Singh: That is good.

POSITION OF PERSONS WORKING TEMPORARILY IN POSTS CREATED BEFORE WAR vis-a-vis WAR SERVICE MEN.

304. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Home Member please state if it is a fact that the Government have decided that, during the course of the war, posts that were created even before the war as temporary ones, but the existence of which has been found to be necessary throughout, will not be made permanent during the course of the war?

(b) Is it a fact that when the question of making these posts permanent will be taken up by the Government, 70 per cent. of these posts will be filled up by the candidates who return from war service and 30 per cent. by the candidates who will qualify for these posts under Departmental examinations?

(c) Is it a fact that for the candidates who return from the war service there is to be no age limit; if so, what will be the age limit?

(d) Is it a fact that Government contemplate making room for the new entrants by terminating the services of these temporary clerks who have continuously and efficiently worked in the department for a large number of years?

(e) Have Government considered the advisability of at least giving these discharged efficient clerks a chance to sit in examination with new hands, by exempting them from the age limit?

The Honourable Sir Reginald Maxwell: (a) The policy of Government is, as stated by the Honourable Member, that no posts should ordinarily be sanctioned on a permanent basis during the war.

(b) No orders have been issued on this point. The orders regarding reservation of vacancies for war service candidates apply to vacancies in permanent posts.

(c) No. The present intention is that only those candidates whose age at the time of their undertaking war service as within the prescribed limits for a particular service should be considered for permanent appointment in vacancies in that service reserved for such candidates.

(d) and (e). Do not arise in view of the reply given to part (b).

Qazi Muhammad Ahmad Kazmi: May I know, as far as part (c) is concerned that they will be considered to have entered within the age limit if they have entered war service in time?

The Honourable Sir Reginald Maxwell: Perhaps the Honourable Member did not follow my answer. I stated that the intention is that only those candidates whose age at the time when they entered war service was such as they would have been eligible for appointment in one of those posts should be considered for permanent appointments reserved for war service candidates.

Qazi Muhammad Ahmad Kazmi: May I know further whether there was any notification or an circular of the Posts & Telegraphs Department reserving 70 per cent. of the seats for persons who will return from war service.

The Honourable Sir Reginald Maxwell: A *communiqué* has been issued by the Government of India. It does not apply to the Posts & Telegraphs Department only. I would draw the Honourable Member's attention to the

press *communiqué* issued by the Home Department on the 7th September 1943.

Qazi Muhammad Ahmad Kazmi: Does it make reservation of 70 per cent. for war service candidates?

The Honourable Sir Reginald Maxwell: The substance of the *communiqué* was to announce that it was decided in modification of the orders announced previously that 70 per cent. of the vacancies in all services under the administrative control of the Central Government, not filled on a permanent basis during the war should be reserved for candidates with war service, whereas the remaining 30 per cent. should be filled after the war from among candidates who held them temporarily during the war.

Qazi Muhammad Ahmad Kazmi: So far as my question to parts (d) and (e) are concerned, when the Government is going to take 70 per cent. will they not give a chance to the persons who are holding the posts temporarily to compete with the persons with war service and consider their age limit from the time when they actually entered service?

The Honourable Sir Reginald Maxwell: The Honourable Member's question related only to posts which were created even before the war and were still temporary then and remained temporary: whereas the orders of the Government of India relate only to vacancies in permanently sanctioned posts.

INSURANCE COMPANIES APPLYING FOR RAISING OF SHARE CAPITAL.

+605. *Mr. Kailash Bihari Lal: (a) Will the Honourable the Finance Member be pleased to say how many Insurance Companies have applied for sanction to raise the share capital since the new Insurance Act came into force? What is their number, province-wise?

(b) Did any Insurance Company apply from Bihar for sanction to raise the share capital?

The Honourable Sir Jeremy Raisman: The records of the Examiner of Capital Issues are not maintained on a regional basis and I regret that the information asked for could not be supplied without an undue expenditure of time and labour.

INSECURITY IN CERTAIN TRAINS ON NORTH WESTERN RAILWAY.

+606. *Sardar Sant Singh: (a) Will the Honourable the Home Member please state if Government have been informed of the conditions of insecurity, that prevail in some trains of the North Western Railway near about Kundian Railway Station?

(b) Is he aware that bands of desperate characters consisting of 25 or 30 persons whose ring-leaders are Amir Abdulla Khan Pathan of village Mochh, Mianwali District, Rabnawaz Khan Pathan of Mianwali, Ghulam Mohammad Darkhar of village Piplan, Mianwali District, get into trains without tickets, armed with fatal weapons, and rob and assault the Railway passengers where the Railway Police and Railway staff are helpless?

(c) Is the Honourable Member aware that several cases of assault and looting have taken place during the last three months? Does the Honourable Member propose to take effective steps immediately to restore law and order in the trains?

The Honourable Sir Reginald Maxwell: (a) No.

(b) No.

(c) A few minor cases of assault have been registered. The Provincial authorities will doubtless take whatever action is necessary.

UNSTARRED QUESTIONS AND ANSWERS.

M. G. O. BRANCH CLERKS SERVING UNDER CHIEF ADMINISTRATIVE OFFICER, WAR DEPARTMENT.

157. Sardar Sant Singh: (a) Will the War Secretary kindly state whether it is a fact that M. G. O. Branch Clerks serving in the office of the Chief Administrative Officer, War Department, have not been permanently removed from the M. G. O. Branch roll?

+Answer to this question laid on the table, the questioner being absent.

(b) If so, why are the M. G. O. Branch clerks of the office of the Chief Administrative Officer being allowed to supersede their seniors on the M. G. O. roll in the matter of promotion to gazetted posts in the office of the Chief Administrative Officer?

(c) Is it a fact that many cases of supersession have so far taken place on the M. G. O. roll in respect of promotion to gazetted posts in the M. G. O. Branch? If so, what are the reasons therefor?

Mr. C. M. Trivedi: (a) The facts are as stated by the Honourable Member.

(b) There has been no supersession as promotions to gazetted appointments are made by selection. Also, any temporary promotion an individual may receive whilst on deputation does not entail the supersession of individuals in his parent office.

(c) The answer to the first part is in the negative. The latter part does not, therefore, arise.

CIVILIAN GAZETTED OFFICERS IN DEFENCE FORCES.

158. Bhai Parma Nand: Will the War Secretary kindly state the number of posts of Civilian Gazetted Officers together with the scales of pay of the various groups that have so far been sanctioned for the Air, Naval and Land Forces (Headquarters and elsewhere), and how the same have been filled up, community-wise, out of the Hindus, Muslims, Anglo-Indians, Indian Christians, Sikhs, etc., in the following tabular form:

Posts.	No. of Hindus.	Muslims.	Anglo-Indians.	Indian Christians.	Sikhs.	Others.
<i>Air.</i>						
Rs. 900—1,150						
Rs. 400—600.						
Rs. 200—400.						
<i>Naval.</i>						
Rs. 900—1,150.						
Rs. 400—600.						
Rs. 200—400.						
<i>Land Forces.</i>						
(including Ordnance Factories and Depots).						
Rs. 900—1,150.						
Rs. 400—600.						
Rs. 200—400.						

Mr. C. M. Trivedi: On the assumption that the Honourable Member refers to the Civilian Gazetted Officers recently recruited in the Master General of the Ordnance Services, the grades of pay and the number of posts community-wise, are given in the statement laid on the table:

Statement.

Rates of pay	Designation	Hindus	Muslims	Anglo-Indians	Indian Christians	Sikhs	Others	Total
Rs. 200 (fixed)	Assistant Group Officer (under training)	238	74	4	12	23	4	355
Rs. 340-20-500	Assistant Group Officer (On appt.)	185	37	2	5	16	4	249
Rs. 350-25-550 (E.B.)-30-700	Assistant Inspectors Grade II	24	2	1	1	2	1	31

DETENUS IN INDIA.

159. Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Home Member please state:

- the number of detenues in India now;
- the number of detenues released in the course of this year; and
- whether any restrictions have been imposed on any of them; if so, of what sorts, and on how many?

The Honourable Sir Reginald Maxwell: (a) There were 7,384 persons in detention on February 1st, 1944, the latest date for which figures are available.

(b) 293 such persons were released during January, 1944.

(c) I have no information with regard to persons released from detention by Provincial Governments. So far as the Central Government or Chief Commissioners are concerned, the only case is that of a man released in Ajmer-Merwara, who has been externed from the Province and prohibited from returning without the permission of the Superintendent of Police, Ajmer-Merwara or an officer authorised by him in this behalf.

REVIEW OF CASES OF DETENUS.

160. Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Home Member please state:

(a) whether judges have been appointed in all the Provinces to review the cases of detenues;

(b) whether the judges have made their recommendations; and if so, how many they have recommended to release;

(c) whether the cases of internees under the Defence of India Act are liable to be reviewed under the ordinance; and

(d) whether the recommendation of the judges are final, or whether the Governments concerned can yet use their discretion over the recommendations?

The Honourable Sir Reginald Maxwell: (a) No.

(b) I have no information.

(c) The provisions of Sections 7 to 9 of the Ordinance apply only to orders of detention made, or deemed to have been made, under Section 3 (1) (b).

(d) The decision whether a security prisoner shall be released or remain in detention rests in all cases with the Government concerned.

STERLING AT INDIA'S CREDIT.

161. Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Finance Member please state:

(a) the amount of sterling accumulated in India's credit up-to-date from the beginning of the war;

(b) how much has been spent up-to-date in liquidating the sterling debts and purchase of Railway lines; and

(c) the amount to the credit of India up-to-date?

The Honourable Sir Jeremy Raisman: I place on the table a statement showing the position at the end of February 1944.

Statement.

	Crores of Rs.
(1) Sterling assets held by the Reserve Bank of India August 1939	64
(2) Sterling purchased by the Reserve Bank September 1939 to February 1944	503
(3) Sterling payments by His Majesty's Government in respect of recoverable war expenditure	881
(4) Sterling expended in debt repatriation, purchase of Railways, etc.	440
(5) Other sterling expenditure	109
(6) Sterling holdings of the Reserve Bank at the end of February 1944	899

GOLD SOLD IN INDIA BY BRITISH AND AMERICAN GOVERNMENTS.

162. Mr. T. S. Avinashilingam Chettiar: Will the Honourable the Finance Member please state:

- (a) the extent of gold sold in India by His Majesty's Government and the Government of the United States of America in India;
- (b) what the purchasing price and the selling price of gold have been and the percentage that the profits work to cost price; and
- (c) the profits that each of the Governments have approximately made in these sales?

The Honourable Sir Jeremy Raisman: (a), (b) and (c). The Honourable Member's attention is drawn to the replies I gave to Mr. Neogy's unstarred question No. 47 on the 17th February 1944 and to the remarks I made on the subject in the course of my reply to the general discussion on the Budget.

CLASSIFICATION OF ACCREDITED PRESS CORRESPONDENTS WITH THE GOVERNMENT OF INDIA.

163. Mr. Muhammad Azhar Ali: Will the Honourable Member for Information and Broadcasting please state:

- (a) if it is a fact that the Accredited Press Correspondents with the Government of India are grouped into two classes; and
- (b) whether it is proposed to lay a list showing them grouped into two classes?

The Honourable Sir Sultan Ahmed: (a) Yes.

- (b) The list is given below:

Correspondents who are accorded Category (A) privileges.

Mr. S. N. Bhatnagar, Mr. Durga Das, Mr. A. S. Iyengar, Mr. G. V. Krupanidhi, Mr. A. N. Kumar, Mr. B. Shiva Rao, Mr. M. Roy, Mr. J. N. Sahni, Mr. S. A. Sastri, Sir Ushanath Sen, Mr. K. C. Sen Gupta, Mr. P. D. Sharma, Mr. Sri Krishna, Mr. Hilal Ahmed Zubairi, Mr. Z. A. Suleri, Mr. Dharampal Gupta, Mr. P. N. Bajpai, Mr. J. K. Cowley, Mr. Mohd. Umar, Dr. P. S. Lokanathan, Mr. D. G. Kulkarni, Dr. Lanka Sundaram, Mr. C. L. Suri, Mr. J. N. Shukla, Mr. Dharam Yash Dev and Mr. Syed Mohammad*.

Correspondents who are accorded Category (B) privileges.

Mr. S. N. Chopra, Mr. Mohammad Jafri, Mr. R. Madhavan Nair, Mr. Harishchandra, Mr. A. C. Khosla, Mr. Indra Prakash, Mr. Somina Venkiah, and Mr. C. C. Joseph*.

*Provisionally accredited.
The list is subject to alterations, at a periodical review, in the light of any change in the professional status and assignment of the accredited correspondents.

PRESS CORRESPONDENT ADVISORY COMMITTEE.

164. Mr. Muhammad Azhar Ali: Will the Honourable Member for Information and Broadcasting please state:

- (a) the Constitution of the Press Correspondent Advisory Committee;
- (b) the names of its members;
- (c) how they are appointed on the Committee, i.e., by selection, by nomination or by election; and
- (d) whether any Sub-Committee is formed under it; if so, who its members are and what its function is?

The Honourable Sir Sultan Ahmed: (a) Constitution of the Presses Correspondents' Advisory Committee:

The Honourable the Information Member—*Chairman*.

Members:

Three representatives of the Press Association.

Three Foreign Press Correspondents.

Seven Accredited Press Correspondents.

Secretary, Information and Broadcasting Department.

Joint Secretary, Information and Broadcasting Department.

Principal Information Officer.

Chief Press Adviser.

(Under Secretary, Information and Broadcasting Department, acts as Secretary of the Committee.)

(b) Mr. G. S. Bozman, Mr. P. N. Thapar, Mr. Durga Das, Mr. P. D. Sharma, Mr. A. S. Iyengar, Mr. J. Ho. buru, Mr. P. Grover, Mr. Martin, Her'ihy, Sir Ushanath Sen, Mr. B. Shiva Rao, Mr. Mohd. Jafri, Mr. P. N. Bajpai, Mr. Z. A. Suleri, Mr. A. N. Kumar, Mr. Sri Krishna, Mr. J. Natarajan, Mr. B. J. Kirchner.

(c) The Press Association were asked to send three representatives. The rest were nominated by Honourable Member, Information and Broadcasting Department.

(d) Yes. Following are the names of the members:

Mr. P. N. Thapar, I.C.S.—*Chairman*.

Mr. A. S. Iyengar

Sir Ushanath Sen

Mr. Sri Krishna

Mr. Z. A. Suleri

Mr. J. Natarajan

Mr. B. J. Kirchner

Members.

(Under Secretary, Information and Broadcasting Department, acts as Secretary of the Sub-Committee.)

The Sub-Committee decided applications from newspaper or news agency representative for accreditation to the Government of India.

CLASSIFICATION OF ACCREDITED PRESS CORRESPONDENTS WITH THE GOVERNMENT OF INDIA.

165. Mr. Muhammad Azhar Ali: Will the Honourable Member for Information and Broadcasting please state:

- (a) the number of protests received against the classification of Accredited Press Correspondents at Headquarters; and
- (b) whether the Editors of Newspapers and News agencies were consulted before their representatives at the Headquarters were classified?

The Honourable Sir Sultan Ahmed: (a) 3.

- (b) No, this was not considered necessary.

RULES RE CONDITIONS OF SERVICE OF NON-GAZETTED RAILWAY SERVANTS.

166. Mr. Muhammad Azhar Ali: Will the Honourable the Home Member please refer to the reply given to unstarred question No. 60, asked on the 23rd February, 1944, regarding rules made under clause (a) of Sub-Section (2) of Section 241 of the Government of India Act, 1935, and state:

- (a) the date and the number of the resolutions of the Central Government adopting the rules regulating the conditions of service of Non-Gazetted Railway Servants as found in the publication called the State Railway Establishment Code; and
- (b) the dates of the Gazette of India in which those rules are given publicity as is the case in other rules?

The Honourable Sir Reginald Maxwell: The question should have been addressed to the Honourable Member for Railways.

NON-PAYMENT OF RANK-PAY TO CERTAIN PERSONNEL AT TRANSPORTATION TRAINING CENTRE, JULLUNDUR CANTONMENT.

167. Mr. Muhammad Azhar Ali: Will the War Secretary please state:

- (a) if it is a fact that great discontent is prevailing amongst the personnel of No. 1, Company Headquarters, Depot Battalion of No. 2 Transportation Training Centre, Jullundur Cantonment, for non-payment of pay of the ranks in which they are enrolled; if not, what the correct fact is; and
- (b) whether Government now propose to pay the personnel of that Depot Battalion the pay of the rank in which they are enrolled; if not, why not?

Mr. C. M. Trivedi: I am collecting the information and will lay it on the table in due course.

PERSONNEL OF THE SPECIAL POLICE ESTABLISHMENT.

168. Mr. Muhammad Azhar Ali: Will the War Secretary please state:

- (a) the strength, in each category, community-wise, of the personnel of the Special Police Establishment (Ordinance No. 22 of 1943);

- (b) the name of the station which has been formed into Headquarters of those personnel;
- (c) the number of cases made over to them for investigations in each year since their establishment; and
- (d) the result of their investigations?
- Mr. C. M. Trivedi:** (a) to (d). A statement is laid on the table.

(a) Strength of personnel by categories and communities.

Post	Hindus	Muslims	Sikhs	Christians	Total
1. Deputy Inspector General of Police					
2. Legal Advisers	2	1	..	..	1
3. Superintendents of Police	1	1	..	..	2
4. Deputy Superintendents of Police	2	3	1	..	2
5. Inspectors of Police	13	7	1	1	7
6. Sub-Inspectors of Police	5	7	1	1	22
7. Head Constables	15	10	2	1	13
8. Foot Constables	40	34	2	1	28
Total	78	63	7	4	152

(b) Names of Stations where the Special Police Establishment have Headquarters.
Lahore (Head Office); Delhi; Rawalpindi; Peshawar; Calcutta; Bombay; Madras;
Bangalore; Quetta; Karachi and Jubbulpore.

(c) and (d) Number of cases investigated, with results.

Period.	Total No. of cases.	Under investigation.	Dropped.	Reported for departmental action.	Pending trial in courts.	Acquitted.	Convicted.
1	2	3	4	5	6	7	8
From the inception of the Department in July 1941 to 31st December 1942	174	2	21	34	23	22	72
From 1st January 1943 to 31st December 1943	255	54	11	42	85	12	51
From 1st January 1944 to date	37	37	..	..	..	..	..
Total	466	93	32	76	108	34	123

CASES INVESTIGATED BY SPECIAL POLICE ESTABLISHMENT.

169. Mr. Muhammad Azhar Ali: Will the War Secretary please lay on the table of this House a list of cases under Ordinance No. 29 of 1943 as amended from time to time, which the Special Police Establishment initiated itself (i.e., not being made over by the Central Government in accordance with the provision of Ordinance No. 22 of 1943), and the result of their investigation?

Mr. C. M. Trivedi: As regards the first part of the question, all the cases enumerated in the First Schedule to the Criminal Law Amendment Ordinance, 1943 (Ordinance XXIX of 1943) as amended and added to by the Criminal Law Amendment (Second Amending) Ordinance, 1943 (Ordinance XI of 1943) and the Criminal Law Amendment (Amending Ordinance), 1944 (Ordinance VI of 1944), were initiated by the Special Police Establishment (War Department), with the exception of cases Nos. 14 and 36 in Part I and case No. 42 in Part II of the First Schedule.

As regards the latter part, the Special Police were able to collect sufficient evidence to establish a *prima facie* case against the accused in every case referred to above. There are some cases in which the investigations by the Special Police did not furnish adequate material for prosecution, but it is presumed that the

Honourable Member has not these cases in mind. It is further presumed that the Honourable Member is not asking for information regarding the result of the trial of the cases by the Special Tribunals.

TOURS CONDUCTED BY PUBLIC RELATIONS DIRECTORATE.

170. Mr. Muhammad Azhar Ali: Will the War Secretary please state:

- (a) the number of tours conducted by the Public Relations Directorate, General Headquarters, during the preceding three years;
- (b) whether the Accredited Press Correspondents at the Headquarters were invited to those tours; and
- (c) whether the Accredited Press Correspondents were paid the expenses of tour; if so, at what rate?

Mr. C. M. Trivedi: (a) Eight.

(b) Accredited press correspondents at Headquarters were invited to six tours, out of which they joined five and declined to go on the sixth one to the Burma front, owing to the Central Legislature being in Session at the time.

(c) Yes, Sir. Expenses, such as one first class railway fare to and from locations visited and reasonable expenses for incidentals on the journey, and the cost of board and lodging (excluding entertainment), were borne by Government.

PROCEDURE FOR REDRESS OF GRIEVANCES OF INDIAN UNITS.

171. Mr. Muhammad Azhar Ali: Will the War Secretary please state the procedure for submission of applications by personnel of Indian Units for the redress of their grievances regarding pay and conditions of service.

Mr. C. M. Trivedi: There is no special provision for the submission of petitions relating to pay and conditions of service, but the general procedure for the submission of all complaints and petitions made by V.C.Os and Indian Other Ranks is laid down in Regulations for the Army in India—Instruction 390, a copy of which is laid on the table.

Regulations for the Army in India—Instruction 390.

390. Complaints and petitions of Indian ranks. If a V.C.O., I.O.R., or non-combatant desires to make a representation, he will, in the first instance, make it personally to his immediate superior who will, after enquiry, either dispose of it himself, if he is competent to do so, or report to the next superior authority. The next superior authority and each superior authority to whom the case is reported will act similarly until disposal by a competent authority is reached. Matters of a purely private or personal nature may be represented direct to the company commander or equivalent authority.

PLACING SADDAR BAZAR, JULLUNDUR CANTONMENT, OUT OF BOUNDS FOR INDIAN PERSONNEL OF DEFENCE SERVICES.

172. Mr. Muhammad Azhar Ali: Will the War Secretary please state if it is a fact that the Saddar Bazar, Jullundur Cantonment, has been placed out of bounds for the Indian Personnel of Defence Services? If so, by whom, and from which date?

Mr. C. M. Trivedi: The area in question was placed out of bounds by the local military authorities from the 17th of December, 1943, to the 24th of January, 1944, on account of an epidemic of small-pox.

PLACING CERTAIN BARRACKS OUT OF BOUNDS FOR PERSONNEL OF TRANSPORTATION TRAINING CENTRE, JULLUNDUR.

173. Mr. Muhammad Azhar Ali: Will the War Secretary please state if it is a fact that the Barracks of No. 2 Transportation Training Centre, Jullundur Cantonment, have been placed "out of Bounds" for the personnel of that Centre by the Depot Battalion Commanders? If so, why?

Mr. C. M. Trivedi: I am collecting the information and will lay it on the table in due course.

MOTIONS FOR ADJOURNMENT.

COMPULSION ON LANDLORDS TO CONTRIBUTE TO NATIONAL SAVINGS CERTIFICATES IN SHAHABAD, BIHAR.

Mr. President (The Honourable Sir Abdur Rahim): I have received a notice from Mr. Ramayan Prasad to adjourn the business of the House to discuss a definite and urgent matter of public importance, namely, the order of the District Magistrate of Shahabad in Bihar compelling landlords to contribute to the

ELECTION OF MEMBERS TO THE STANDING FINANCE COMMITTEE.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that the following Members have been elected to the Standing Finance Committee: (1) Dr. Sir Zia Uddin Ahmad, (2) Mr. Govind V. Deshmukh, (3) Sir Cowasjee Jehangir, (4) Mr. E. L. C. Gwilt, (5) Mr. S. C. Chatterji, (6) Seth Sunder Lall Daga, (7) Major Nawab Sir Ahmad Nawaz Khan, (8) Mr. T. T. Krishnamachari, (9) Mr. H. A. Sathar H. Essak Sait, (10) Mr. T. Chapman-Mortimer, (11) Rai Bahadur Seth Bhagchand Soni, (12) Mr. Muhammad Muazzam Sahib Bahadur, (13) Mr. Umar Aly Shah, and (14) Mr. Muhammad Hussain Choudhury.

ELECTION OF MEMBERS TO THE STANDING FINANCE COMMITTEE FOR RAILWAYS.

Mr. President (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that the following Members have been elected to the Standing Finance Committee for Railways: (1) Sir Muhammad Yamin Khan, (2) Sir F. E. James, (3) Pandit Lakshmi Kanta Maitra, (4) Rao Bahadur N. Siva Raj, (5) Khan Bahadur Mian Ghulam Kadir Muhammad Shahban, (6) Mr. Saiyid Haider Imam, (7) Mr. Muhammad Nauman, (8) Mr. Muhammad Muazzam Sahib Bahadur, (9) Mr. Kailash Bihari Lall, (10) Sir Abdul Halim Ghuznavi, and (11) Maulana Zafar Ali Khan.

ELECTION OF MEMBERS TO THE STANDING COMMITTEE FOR THE LABOUR DEPARTMENT.

Mr. President (The Honourable Sir Abdur Rahim): I have also to inform the Assembly that upto 12 noon on Tuesday, the 21st March, 1944, the time fixed for receiving nominations for the Standing Committee for the Department of Labour, eight nominations were received. Subsequently three candidates withdrew their candidature. As the number of remaining candidates is equal to the number of vacancies, I declare the following members to be duly elected, namely: (1) Mr. C. C. Miller, (2) Mr. N. M. Joshi, (3) Mr. Piare Lall Kureel, (4) Mr. Amarendra Nath Chattopadhyaya, and (5) Mr. Muhammad Nauman.

THE INDIAN FINANCE BILL—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now resume consideration of the Indian Finance Bill. Sir Muhammad Yamin Khan.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): Sir, I was dealing with the Commerce Department and I want to finish it in one minute. When I gave examples of a few articles yesterday, I did so, in order that I need not detain the House with a recital of the large number of articles which have not been controlled and which are required for daily purposes. I want that the Honourable Member and his department should be vigilant and see that the prices are properly controlled. If the prices are not properly controlled then it will be considered by this House that the Government are not only not carrying on their duties properly but that they are really inefficient and cannot discharge their duties at all. I am sorry that the Honourable the Commerce Member does not think fit—even when I am dealing with his department, he wants to have a talk with certain officials, and I find that he is not listening to a word of what I have so far spoken. I am sorry that he thinks that I was wasting the time of the House when I was drawing his attention. I am not going to repeat what I have said. I will take it that the department is really very inefficiently worked because he did not think it proper even to listen to me when I was speaking about his department.

Now, Sir, I will take up the one point to which I like to refer.

(1464)

THE INDIAN FINANCE BILL

1465

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): I was hearing the Honourable Member all the time.

Sir Muhammad Yamin Khan: No, you were talking to Sir George Spence. If the Honourable Member was hearing me all the time, will he tell me what I said.

The Honourable Sir M. Azizul Huque: It is very difficult for me to control. If some Member comes and asks me an urgent question for about 10 seconds. I am surprised to hear the Honourable Member's remarks, after giving him all the attention which I did and getting all the papers; I spoke to Sir George Spence for about 10 seconds and if my friend is so impatient it is very difficult for me to say anything.

Sir Muhammad Yamin Khan: I definitely said that I would take only one minute with the Honourable Member's department and he ought to have told the other Member who came to talk to him—Please spare me for one minute. He had no business to start talking on any other point, when I told him that I would take only one minute with his department.

I will now deal with one complaint which has been received by me from several sources and that is about the War Casualties Department which is in Simla. This is really causing great hardship to lot of people. Those of our relations who have gone out to fight in Europe and other places we do not get information in proper time about them and great anxiety is caused to us. The parents and relations of the boys who have gone out to fight are anxious to know their whereabouts as quickly as possible and they should be properly informed. There are very few people who can get information except through the Casualties Department. I have got in my hand a letter about a relation of a friend of mine who is a Member of this House. The son of this Member was fighting in Europe. He was a prisoner of war in the hands of the Italians and the Government informed the Honourable Member that the son had come out from the hands of the Italians, after the revolution in Italy and the parents tried to get into touch with the person. After some time, they came to know that no connection could be made with the boy and some time later the boy wrote a letter from a German camp of prisoners to a friend in England and that letter was received in England and this telegraphic letter had been sent by that friend of the family on the 23rd February. This information about the boy being a prisoner of war in the hands of the Germans was received in England on the 23rd February but the War Department here did not inform the parents till the 11th March. I have got in my hand the original telegram dated the 10th or 11th March—it is marked both ways and they informed the parents that the boy is found to be still a prisoner of war in the hands of the Germans. You can imagine that the War Department did not pass on this information for more than a fortnight to the parents who got the information from different sources. I want to bring it to the notice of my friends who sit on the Defence Consultative Committee. This shows how much work the Consultative Committee has discharged in securing information about the boys who are fighting in this war and how much attention is paid to the feelings of their parents and relations. These matters never come before the Consultative Committee and they do not know what is happening. I want this Casualties Department to be transferred from Simla to Delhi so that the parents and relations of the boys who are fighting the war may get information as quickly as possible about their whereabouts. The matter should not be delayed like this, as I can prove by the original document which I have got in my possession.

Now, I want to impress upon the House that the Defence of India Rules were framed a long time ago. A debate has already taken place in this House and I do not want to traverse the same ground again. It is an immediate necessity that these rules should be revised by a committee of Members of this House who can safeguard the rights of the people who are being affected by the application of these rules. No rule should be made without

National Savings Certificates in varying proportions to the land revenue they pay and the failure of the Government of India to intervene effectively in the matter to put a stop to such practice.

I should like to know from the Government Member whether the facts stated are correct.

The Honourable Sir Jeremy Raisman (Finance Member): I am not aware of any order.

(The Secretary of the Assembly pointed out to the Honourable the President that the Mover was not present in the House.)

Mr. President (The Honourable Sir Abdur Rahim): The Mover is not here. The motion for adjournment therefore falls through.

STARVATION DUE TO INADEQUATE ARRANGEMENTS FOR DISTRIBUTION OF FOODGRAINS IN BUNTWAL, SOUTH KANARA DISTRICT.

Mr. President (The Honourable Sir Abdur Rahim): I have received a notice from Sri K. B. Jinaraja Hegde asking for leave to move for the adjournment of the business of the House to consider a matter of urgent public importance, namely, starvation of 6,000 people since a week in Buntwal, South Kanara District, due to failure of Government of India in making adequate arrangements for distribution of foodgrains.

I believe the Honourable Member tried to move this very matter on a previous occasion.

Sri K. B. Jinaraja Hegde (West Coast and Nilgiris: Non-Muhammadan Rural): This was not the matter. That was an order passed by the Civil Supplies Commissioner of Madras refusing to send rice to the district. Now the people are starving.

Mr. President (The Honourable Sir Abdur Rahim): Does not the failure of the Government in this regard relate to that order?

Sri K. B. Jinaraja Hegde: The present case is the failure of the Central Government to make adequate arrangements for food for the district. I received a wire yesterday and I immediately gave notice of this motion.

Mr. President (The Honourable Sir Abdur Rahim): Has the Honourable Member in charge anything to say?

The Honourable Sir Jwala Prasad Srivastava (Food Member): The subject matter of the motion concerns primarily the Government of Madras since it relates to the internal distribution of foodstuffs.

Mr. President (The Honourable Sir Abdur Rahim): Can he say whether the facts stated here are correct?

The Honourable Sir Jwala Prasad Srivastava: No, Sir. The facts are not correct. But I was first stating that the subject matter of the motion is not the concern of the Government of India. The Provincial Government have undertaken to distribute foodstuffs in their own areas and we are not aware that they have failed in that. We are told that the Director of Civil Supplies visited the South Kanara district only a few days ago.

Mr. President (The Honourable Sir Abdur Rahim): The place mentioned in the notice is Buntwal.

The Honourable Sir Jwala Prasad Srivastava: Buntwal is in South Kanara. He found the situation there quite all-right.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Nonsense.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): When was the last visit?

The Honourable Sir Jwala Prasad Srivastava: A few days ago.

Dr. P. N. Banerjee: Such are your reports!

Mr. Govind V. Deshmukh: What do you mean by a few days?

The Honourable Sir Jwala Prasad Srivastava: That is the information which we got over the telephone from Madras last night. The information that we have in our possession is that normally the South Kanara district is self-sufficient.

Sri K. B. Jinaraja Hegde: It is not.

The Honourable Sir Jwala Prasad Srivastava: The district neither exports nor imports rice. Last year it had a small surplus and this year owing to adverse weather conditions the Madras Government considered that it would have a small deficit, and on recent review have decided to make an allotment to South Kanara of 1,000 tons in each of the months of February, March and April. In addition, 1,000 tons of wheat is being allotted to the district. As already stated by me the Director of Civil Supplies of the Madras Government had been there lately to conduct an examination of the conditions on the spot. The Madras Government will take, no doubt, necessary steps on receipt of this report, if there be any report necessitating the same. There seems therefore to be no necessity whatever for the House to adjourn itself over this matter.

Mr. President (The Honourable Sir Abdur Rahim): Upon the facts as stated by the Honourable the Food Member I hold that no case has been made out for adjourning the business of the Assembly in order to discuss this matter.

BAN ON PAKISTAN DAY MEETING AT LUCKNOW.

Mr. President (The Honourable Sir Abdur Rahim): The next notice is from Seth Yusuf Abdoola Haroon. He has given notice of his intention to move the adjournment of the Assembly for discussing a definite matter of urgent public importance, namely, the order of the District Magistrate, Lucknow, forbidding the holding of meeting in connection with Pakistan Day which is being observed to-day. This information has appeared in to-day's Dawn.

I should like to know whether the Honourable the Home Member has got any information on the point. First of all, under what law was the order passed?

The Honourable Sir Reginald Maxwell (Home Member): I have no information at all and I gather that the Honourable Member is relying only on a newspaper report which, I submit, is not sufficient basis for discussion on an adjournment motion in this Assembly. But I can say that the Government of India have not issued any orders whatever with regard to the observance of Pakistan Day or the prevention of any celebration of that Day. If any action of this kind has been taken by the District Magistrate of Lucknow, it must be based entirely on the requirements of the local public order situation, of which he and the Provincial Government must be the sole judges.

Mr. President (The Honourable Sir Abdur Rahim): Under what law has this order been passed?

Seth Yusuf Abdoola Haroon (Sind: Muhammadan Rural): It is not known under what law it was passed. The Lucknow Broadcasting Station broadcasted last night that this order had been promulgated at Lucknow, but it did not state under what law it had been passed.

The Honourable Sir Reginald Maxwell: It may be an order under section 144.

Mr. President (The Honourable Sir Abdur Rahim): This very paper says that the order has been passed under section 144. The order having been passed under section 144 in exercise of his powers by the District Magistrate, I must hold that this motion is not in order.

Mr. President (The Honourable Sir Abdur Rahim): The next notice is from Maulvi Syed Murtuza Sahib Bahadur, but he is not in his place.

MESSAGE FROM THE COUNCIL OF STATE.

Secretary of the Assembly: Sir, the following Message has been received from the Council of State:

"I am directed to inform you that the Council of State at its meeting held on 22nd March, 1944, agreed without any amendment to the Bill further to amend the Indian Merchant Shipping Act, 1923, which was passed by the Legislative Assembly on the 2nd March, 1944."

[Sir Muhammad Yamin Khan.]

could be wasted without any thought over the consequences. The Honourable Member knows that more than a crore was wasted in Delhi and other Provinces in digging trenches which were found to be absolutely useless and harmful and which were breeding mosquitos. The health of Delhi was greatly affected.

The Honourable Sir Jeremy Raisman: Will the Honourable Member say that it was quite impossible that there could have been air raids over Delhi?

Sir Muhammad Yamin Khan: I know that His Excellency the Viceroy said in his speech that we are not a panicky people. We do not become panicky. So, I do not think it was necessary for the Government either to become panicky and dig trenches at that time. It was just possible that one or two air raids could have taken place. Of course, for the past two years, there was no air raid in Delhi though the Japanese are fighting on Indian soil as the newspaper report says today. I do not think they dare undertake this raid over Delhi in view of the precautions that have been taken. These trenches have been demolished and the pits filled with earth. All this was waste of public money.

The Honourable Sir Jeremy Raisman: Wise after the event.

Sir Muhammad Yamin Khan: It is not after the event. It is before the event even took place. It shows how the money is squandered for unnecessary purposes. We have to see carefully whether similar wasteful expenditure was incurred in other places.

The Honourable Sir Jeremy Raisman: Is that the kind of assistance we shall get?

Sir Muhammad Yamin Khan: My Honourable friend is welcome to become panicky. I am not panicky.

Now, Sir, I will refer briefly to the dearness allowance that was announced by Sir Gurunath Bewoor the other day. He made much of this dearness allowance, and he said that the lowest paid employee of Government will get an increase of dearness allowance from Rs. 11 to Rs. 14. That means an increase of Rs. 3. May I ask whether this increase will be effective in any way after this Finance Bill is passed? The poor employee will have to pay more than Rs. 3 a month for his tea, for his betelnut and for his other necessities of life in view of the high cost of all the things on account of the heavy tax imposed by this Finance Bill. So, this so called increase of Rs. 3 in dearness allowance does not cover the high cost of the articles.

The Honourable Sir Jeremy Raisman: Even in five years, it will not cost Rs. 3 on the average incidence.

Sir Muhammad Yamin Khan: My Honourable friend is thoroughly mistaken in thinking so. Poor people, their wives and other members of their family consume a lot of *pan* and betelnuts every day. I, therefore, think that this small increase in dearness allowance will not materially improve his position, after this Finance Bill is passed. It is no use giving by one hand and taking it away from the other hand.

The next point I wish to refer is the way in which the Government have been treating this House, especially this side of the House. Sir, the House passed last time a motion for adjournment of the House protesting against the sending of a delegation to England. In spite of the vote of the House a delegation was sent. The Honourable the Leader of the House while speaking in support of sending the delegation stressed the point that the members of the delegation were told not to speak on politics and he paid a lot of compliments to their experience and ability. I do not know whether the Honourable the Leader of the House spoke from his personal experience about these people. Our experience has been different, and, therefore, this House was very suspicious from the very beginning that the delegates will go and misrepresent this House, and they did misrepresent the views of this House. The Honourable the Leader of the House assured us that these delegates will not speak on politics, but these gentlemen did speak on politics in England, they did misrepresent the House and the whole country in the worst possible manner. They did the greatest harm to this country by indulging in all kinds of talk in England and

telling the British public that India as a whole was opposed to war efforts. This was the point which they made. Mr. Ghiasuddin went to the extent of saying that if a National Government was formed, that Government may not take any interest in the war efforts. I do not know how he came to this conclusion. I may tell the House that if really a National Government is formed, and if all the parties are represented on that Government and if they take seriously the reins of office in their hands, they are bound to fight our enemies and in the best possible way and with the maximum of efforts. With the enemy knocking at our doors, no National Government can afford to keep idle. That is an impossibility. Only those people who have no backing in the country will be half hearted in war effort. It was the greatest misrepresentation which these two gentlemen, Mr. Ghiasuddin and Mr. Bhole made in England that India was not serious about war effort. In spite of what the Honourable the Leader of the House said they did the greatest disservice to this country and to the British Empire. I do not know what the other two delegates have been talking in America, because we have not got any report of their activities; probably their activities were not brought to the notice of the public. Sir, on this one ground of the Government flouting the verdict of the House, we cannot support the Government. The Government go on flouting the opinion of this House every day.

I would now make a passing reference to the appeal which the Honourable the Leader of the House made the other day to me. I said they should resign and make room for people who have got the backing of the country and who can take charge of the Government. He advised me by saying that I should not ask him to resign, but that I should ask the Congress to come to terms with the Muslim League first. Sir, may I remind my Honourable friend that already I have brought the Muslim League and the Congress together, much nearer to each other, in that both have come to this House to demonstrate to the world that they have no confidence in the present Government of the country and its administration. This position has been conclusively demonstrated and proved.

The Honourable Sir Sultan Ahmed (Leader of the House): Nor have the Congress got confidence in you.

Sir Muhammad Yamin Khan: We have got confidence in each other and that is shown by our acting together in this manner to demonstrate that we have got no confidence in the Government. And this step which has brought them together has also brought them nearer to unity. My Honourable friend, Sir

Frederick James, said the other day that it seemed to him novel that 12 Noon. these two Parties should come together. But up till 1940 could my Honourable friend ever think that England and Russia would come together? Did they not hate each other and do they love each other even now? Still they have joined and are fighting on the same side as Allies and friends, and England pays all sorts of compliments to Russia. There are circumstances which bring people nearer although separated by other means. In this case it is the actions and misdeeds of Government which have brought these two Parties together.

The Honourable Sir Jeremy Raisman: Then you should be grateful to us.

Sir Muhammad Yamin Khan: Yes, I am grateful for the wrongs you have done because they have helped us to join hands. Government exploited us and created differences among us to exploit us, and people now realise that these differences have been engineered for the purpose of keeping us apart. (Interruption from Mr. Jamnadas Mehta.) I hope my Honourable friend, Mr. Jamnadas Mehta, will also realise it, some time if not now.

Mr. Jamnadas M. Mehta (Bombay Central Division: Non-Muhammadan Rural): So you know it now.

Sir Muhammad Yamin Khan: Yes, I know it; I hope my Honourable friend also will know it.

Mr. Jamnadas M. Mehta: I knew it twenty years ago.

Sir Muhammad Yamin Khan: That, Sir, is my reply to what the Leader of the House said the other day.

[Sir Muhammad Yamin Khan.]

the consent of this House. The Defence Rules are being administered in a way calculated to terrorise the people and they should be modified in such a manner that a magistrate, even if he be a silly man, may understand how far his powers can go. These rules were passed hastily in 1939. During the last five years, experience has shown that these rules should not be allowed to continue in the form in which they were framed at that time. I have got information that the Honourable Mr. Hossain Imam was not the only one who got the orders from the S. D. O. about these subscriptions to the war loan. A similar notice was sent to many zamindars of the division who were all asked to contribute money and they were asked to appear before him. I think it is the height of folly for any Member of the Government to misuse his power which is given by law, for the purpose of keeping law and order. This is making the Government very unpopular in the country. The country is getting fed up with the present Government on account of these follies which are being committed by the minor officials, to which the Government does not pay any attention. I think it is an immediate necessity that these rules should be placed before a committee of this House and the rules should be revised before the session is over.

The House has passed by a huge majority the cut motion which I had moved about effecting economy and the Honourable the Finance Member must feel himself bound by the vote of this House. Whatever may be the reason, it is a vote of the House and if any Honourable Member belonging to this House wants to show any respect to the very House to which he belongs, then the only course for him is to follow what the vote has decided. Otherwise, it will be said that although he is a Member of the House, he does not show any regard to the wishes of the House. This will be a novel idea of the democracy not to follow the decision of the majority in the House. You will be setting a very bad example to the country and the country will not know what lesson it should take from those British people who are the pioneers of democracy in the present day world. If you insist on the institution of democracy, then this decision of the House is binding on you. The Honourable Member said in his speech that no Finance Member can oppose the motion which was moved by me. Still, he gets up on the question of the Standing Finance Committee and says that he is prepared to place more records before them. The Honourable Member ought to have known that it was not the intention of this House to entrust this work to the Standing Finance Committee. What the House wanted was that because we have no opportunity to go into the details of the present Budget because our attention is concentrated on the token cuts here and there, therefore the budget must be scrutinised by a Committee of the House who should sit from day to day and see whether any economy can be effected. I think it is possible for this Committee to effect a retrenchment of 2 per cent. in a budget of 300 crores of rupees. If they can do that, they will be able to save 6 crores of rupees. And if there is another 100 crore required by Government, they will be able to effect an economy of another 2 crores. In this way, 8 crores of rupees can be saved and then there will be no need for any further taxation. There are some Honourable Members who think that because this is a war time Finance Bill, it should be treated as something sacred and should not be touched and should be passed. I am not of that view and I do not belong to that category. If the Finance Bill is to fill up a gap which cannot be filled up otherwise, it must be passed, but if an economy can be effected and if the expenditure can be curtailed, then there is no necessity for imposing any further taxation. In this connection, I will bring to the notice of the House the views which were expressed by the Leader of the European Group on behalf of the European Group in 1940 when only 8 crores of rupees were required for the purpose of the war. Speaking on the Excess Profits Tax Bill Mr. Aikman, the then Leader of the European Group, said this:

"A point I would like to make related to the rate of tax that is sought to be imposed. In the view of many people this rate is very high and before expressing our views upon

at my Group will require to be satisfied not merely that so much money is required to balance the budget of 1940-41, but also that in the matter of control of expenditure and more especially the control of war-time expenditure, the Government are taking every precaution to ensure that there is a minimum of waste. Tax-payers, in fact, want to be satisfied that, in these times when they are called upon to make large sacrifices, the strictest economy is being observed and that they are getting full value for their money."

Sir, it was the same view which was put in and endorsed by this House. While speaking on the General Budget he again laid emphasis on this and said:

"It cannot be forgotten that there comes a point when, if the tax imposed on any commodity becomes unduly heavy, the law of diminishing return will begin to operate. In the case of motor spirit, the level of taxation now imposed must be dangerously near that limit and in the case of the new sugar duties, it must be remembered that the sugar industry has to bear not only heavy central taxation but also taxation by Provincial Governments."

Then, further on he says because he was interested mostly in the petrol:

"Members of this House and our constituents in the country (these are very important words because he was not speaking only on behalf of the European Group but on behalf of the constituents of the European Group) are anxious, especially at this time when expenditure is inevitably rising, to ensure that a strict watch is maintained over all expenditure. I wish to make the very strongest plea for the re-establishment of control by a Committee of this House."

Sir Henry Richardson (Nominated Non-Official): Will the Honourable Member read the next sentence?

Sir Muhammad Yamin Khan: He said that it may be an Estimate Committee. That is a different matter but he did say that the expenditure must be controlled by a committee of this House. I do not mind the nature of the committee. I am only concerned with this that he wanted a committee.

The Honourable Sir Jeremy Raisman (Finance Member): I also suggested that the Standing Finance Committee could go through this.

Sir Muhammad Yamin Khan: The Standing Finance Committee cannot go through the expenditure of the present year. They cannot effect any economy in the present expenditure which the Honourable Member has suggested.

The Honourable Sir Jeremy Raisman: Under the existing constitution they cannot, but I indicated that I was prepared to discuss with them the scope of their function.

Sir Muhammad Yamin Khan: I want a committee which will go through the Budget and effect economy according to the motion passed by this House. We decided not to throw out the whole Budget on the condition that the Honourable Member will not flout the opinion of this House. We insist on this and we are convinced that there is a mismanagement in the spending Departments who are simply squandering away the money of the taxpayer. We think that there is scope for economy and, therefore, there will be no necessity for further taxation. I know the Honourable Member is helpless because he cannot go and examine the annas and pies, but the very function of this Committee will be to do this sort of work and to see whether the money is being spent properly by every Department. I cannot understand how any business-man can say that he cannot effect any economy even of one or two per cent in his huge establishment, unless of course he is convinced that even annas and pies are spent in a proper manner. I have shown by citing instances that there is lot of corruption going on, a lot of money is being taken from the taxpayers' pockets and put into the pockets of these corrupt officials who take bribes and spend money for unnecessary purposes. These corrupt officials purchase articles for Government at high prices. I, therefore, submit that the taxpayer should be saved and these corrupt officials brought to book. Both the things should be done.

Mr. President (The Honourable Sir Abdur Rahim): This question was debated at length for a whole day. The Honourable Member cannot go on repeating it over and over again.

Sir Muhammad Yamin Khan: We will throw off this Finance Bill in order to show that economy is possible and can be given effect to.

Sir, the next Department to which I wish to refer is the Civil Defence. This Department is one of the glaring examples of how money

[Sir Muhammad Yamin Khan.]

I will leave these questions of wider politics to be dealt with by other speakers and deal with matters which relate to this House itself. I must say that this House is not properly treated by Government and no regard is paid to views expressed by huge majorities of this House. This is not democracy as is broadcast to the world. We are not working towards dominion status as England proclaims but towards complete autocracy.

I remarked a few days ago that when they found that there may be unity on this side Government started another stunt through what I may call their missionaries, open or secret servants, that the nominated Members must form a group against us. And this propaganda started in the last Session against the Muslim League by certain nominated Members. This was brought to my notice and that had been resented and some Members were led to believe many things which were not true. Today also up till now, since the Congress Party refused to send their representatives to the Committees, we had come to an agreement which was really a kind of convention working for the last four years. In the Standing Finance Committee for Railways our Party sent four . . .

Mr. President (The Honourable Sir Abdur Rahim): The action of the Honourable Member's Party is well known to the House, and the question of how one Party is operating in the House is not relevant to the Finance Bill.

Sir Muhammad Yamin Khan: I am stating what Government have done this time. Government excited another nominated Member to be put in . . .

The Honourable Sir Sultan Ahmed: There is absolutely no foundation for this; Government have done nothing of the kind.

Sir Muhammad Yamin Khan: The Government Whip does it. Their intention was to oust Sir Abdul Halim Ghuznavi and they succeeded in ousting Murtuza Saheb Bahadur . . .

Mr. President (The Honourable Sir Abdur Rahim): That is a matter which should not be discussed here.

Sir Muhammad Yamin Khan: Our Party will take action at the proper time and the proper place and give a reply to Government on this point.

My next point is that at present India needs a lot of scientists. They want a lot of people who are trained in the professions and they get training for a long time and the salaries which Government pay to their scientists and medical men is not a sufficient inducement to them. When people sit for the I.C.S. and come out successful they get high salaries and they know they can reach up to Rs. 10,000 which is the salary of a Governor. But these scientists are treated badly and because the people have no voice in determining their salaries they are paid low salaries. I think, Sir, it is not fair that these people who receive such high education should not be given enough to manage a decent living. It is high time that the Government of India should take notice of this matter and they should take steps to give tempting salaries to these men so that it will be an inducement to them to take to this line. At present you are paying these men, trained in England, less than what Assistants and Clerks are getting in the Government Secretariat.

Finally, I have to say that under the present circumstances we cannot support this Bill and we do not think that there is any necessity for supporting this Bill. We think that money can be found out easily from the savings which can be effected and, therefore, I oppose the consideration of this Bill.

Mr. C. M. Trivedi (Secretary, War Department): Sir, I should like to begin my speech by thanking my Honourable friend, Sir Frederick James—I am sorry he is not here owing to indisposition—for his warm appreciation of the magnificent part which India's Fighting Services have played and are playing in several theatres of war. The innumerable deeds of valour and gallantry of our sailors, soldiers and airmen have raised the status of our country in the eyes of the world, and indeed no words of mine can adequately express the deep debt of gratitude which India and other United Nations owe to the Armed Forces of India.

My Honourable friend, Sir Frederick James, paid a tribute to the war effort of the Aligarh University. I desire to associate myself with that tribute. The Aligarh University has been of assistance to the Fighting Services in several ways: It has provided a large number of officers for the three Services. It was at the Aligarh University that we started the first Air Training Corps and learnt some lessons by trial and error: in fact, my gallant and learned friend, Dr. Sir Zia Uddin Ahmad, has, with great enthusiasm, started several experimental schemes to assist the war effort. Not all the schemes have been equally successful, but both the University and ourselves have learnt a good deal from these experiments. We have given the University financial assistance on more than one occasion and have provided it with two aircraft and two motor lorries. Over a year ago, he asked for a grant of Rs. 5,000 for a temporary shed to house the two aircraft provided by us. We sanctioned the amount very readily. Shortly afterwards I happened to meet my Honourable friend. He thanked me for the grant and added with a smile that in his letter for the grant of Rs. 5,000, he had omitted by mistake to add one nought and that he had really intended to ask for Rs. 50,000. We were unable to sanction this amount, but this is by the way. I am only quoting this instance to show that there is no more insistent beggar for funds than my Honourable friend, Sir Zia Uddin Ahmad.

My Honourable friend, Sir Frederick James, next referred to the distinction between combatant and non-combatant units in the matter of disability pensions and instanced the case of Pioneer Units in the harbour of Tripoli, who were doing as risky work as men of combatant units. There is something to be said for the view that in a total war there is really no distinction between combatant and non-combatant units. The matter is not, however, quite simple. A distinction can certainly be drawn between certain classes of non-combatant units and combatant units, but I would like to say that the question of classifying the Auxiliary Pioneer units as 'combatant' will be taken up.

My Honourable friend next referred to the question of providing a right of appeal to an independent body in pension cases. He mentioned that the Parliament had passed the Pensions Appeal Tribunals Act to provide for the establishment of Tribunals in the United Kingdom to hear appeals against the decisions of the Minister of Pensions and suggested sometime ago that we should follow suit. I am glad to be able to inform the House that the Government of India, with the approval of the Secretary of State, have now decided to set up independent Tribunals in India to deal with appeals in pension cases. The necessary steps for the establishment of Appeal Tribunals in India are now under consideration.

My Honourable friend, Sir Frederick James, paid a tribute to the military authorities for their endeavours to prevent waste. I am sure they will appreciate this tribute, and I can assure the House that the military authorities will continue in their efforts to prevent all avoidable waste. No one is keener in this than His Excellency the Commander-in-Chief.

My Honourable friend next turned his attention to the Indian Air Force. Squadrons of the Indian Air Force have now gone into action in the operations against the Japanese, and our Indian pilots have acquitted themselves very well indeed. The record will, I am sure, fill all of us with pride and it will also demonstrate, if any demonstration is needed, that given the opportunity, the right type of the youth of India is second to none in the world. We are still not obtaining as many pilots as we require for the ten squadrons of the Indian Air Force. This is a matter which is causing us some concern, as the failure to obtain the full number required may jeopardise the complete fulfilment of the ten squadron programme and our participation in the Empire Air Training Scheme. We have spared no effort to give the maximum publicity to the Indian Air Force. We have also instituted Air Training Corps at eight universities, namely Madras, Calcutta, Allahabad, Aligarh, Punjab, Nagpur, Hyderabad, and Travancore. We have also sanctioned an Air Training Corps for the

[Mr. C. M. Trivedi.]

Bombay University. The primary object of the Air Training Corps is to provide pre-entry training for prospective candidates for pilots' Commissions. The class at each University is limited to 50 candidates and each course lasts for three months. If the classes are filled to capacity, we shall be training about 1,400 college students each year. The results will, we hope, be reflected in improved recruitment. Already recruitment shows some signs of improvement. We have also organised recruiting parties of Indian Air Force officers to go round colleges and Universities, and we hope to be able to establish some machinery whereby regular contacts throughout the year may be maintained between the recruiting authorities and the educational institutions of the country. We want the flower of Indian youth to join the Indian Air Force and our ambition is to have an Indian Air Force second to none. I earnestly hope that our ambition would be fulfilled.

My Honourable friend dwelt at great length with the Royal Indian Navy. His feeling appeared to me to be that, although the Royal Indian Navy was the senior service, it was regarded as the Cinderella of the Services. I hasten to assure the House that this is not so. It is certainly not the way in which the Army or the Air Force regards the Royal Indian Navy. The achievements of this small, but growing and highly efficient navy, during this war are only too well known to all of us to need a mention here.

My Honourable friend narrated a long list of what he considered to be the grievances of the Royal Indian Navy; for example, he referred to the family pension of Rs. 8 of a Chief Petty Officer who becomes a casualty. The status of the Chief Petty Officer is not really analogous to that of the Viceroy's Commissioned Officer of the Indian Army. The pension of the Chief Petty Officer is the same as that of a Havildar, with whom he is officially graded. The whole question of the upgrading of the status of the Chief Petty Officer is a difficult one, raising as it does both financial and administrative issues. I cannot promise that the status will be raised, but I undertake that the matter will be examined with care and sympathy.

My Honourable friend next mentioned that, unlike the Royal Navy, seamen of the Royal Indian Navy are not given instructional allowances. This is correct. I understand that a proposal to introduce the Royal Navy practice in the Royal Indian Navy was made some years ago, but was not pursued. The matter will be examined again. It is also a fact that junior ratings doing senior ratings' work do not receive the pay of the senior appointment. This matter, too, was raised once, but not pursued. It will be re-examined.

As regards married quarters for Royal Indian Navy ratings, it was not the policy before the war to provide married quarters for the Royal Indian Navy ratings. I will not attempt to argue whether that policy was right or wrong. At any rate, it is obviously not easy in war conditions to provide such accommodation. The question of policy in this matter will, however, be reconsidered.

As regards long service awards, it is a fact that the Royal Indian Navy practice is illiberal as compared with the practice of the Royal Navy. The Royal Indian Navy, however, follows the Indian Army practice in this matter, and all I can say at the present stage is that we shall consider favourably any proposals for increasing the number of these awards.

In the concluding portion of his speech, in so far as it concerned the department which I have the honour to represent in this House, my Honourable friend gave the House his views on the policy to be followed in regard to the post-war size of the Defence Forces of India. He visualised rather a smaller Army, a larger Navy and a very much larger Air Force. These matters are very much in the minds of the highest military authorities in India. It is a truism to say that ideas and plans for the defence of India cannot remain static. They must vary according to circumstances, and I can assure the House that those who are responsible for planning the post-war size of the Defence Forces of India will take into full account all relevant factors. I am not sure whether

the observation of my Honourable friend that the defence policy of India is governed by the mentality of the Bengal Lancer was correct at any time. I will not argue with him on that point. All I will say is that it is certainly not correct at the present time, and that the sea and the air will receive an equal attention as the land, if not more, in plans for the future. He may rest assured that the land outlook—and after all there must be a land outlook—will be fully up to date and will not dominate unduly sea and air. My Honourable friend looked forward to the day when an officer of the Royal Indian Navy would fill the post of the Commander-in-Chief of the Forces in India. He has often, though not always, proved to be a true prophet, and I am sure that the Army would not be wanting in welcoming such a development when it takes place.

My Honourable friend, Sir Vithal Chandavarkar, referred to the disparity between the pay of the members of the Auxiliary Force (India) and the members of the urban units of the Indian Territorial Force. As he informed the House, we have already substituted British ranks for Indian ranks in the Bombay Urban Infantry. We have also raised the allowances of the Urban Infantry during the period spent in camp. The request for levelling up the pay of the members of the Urban Infantry to that drawn by the members of the A. F. (I.) was rejected some years ago. If I may speak frankly, the few Urban Units in India are not even in a state of reasonable efficiency. The numbers in the units fall short of the sanctioned strength, there is marked lack of enthusiasm, and the whole question to my mind resolves itself into one of devising means to promote greater efficiency of these units. If, as contended by my Honourable friend, merely raising the pay during training or embodiment would lead to greater efficiency, I for one would support this increase. I much regret, that, owing to other more urgent pre-occupations, we have not been able to devote attention to this question of improving the Urban Units, but I promise my Honourable friend that we shall take it up fairly soon.

My Honourable friend asked why there should be two separate forces like the Territorial Force and the Auxiliary Force. I do not wish to go into past history, because I do not consider that to be a profitable task. I can assure him that one of the questions which will receive consideration in connection with the post-war army is whether there is any necessity of maintaining two separate forces. I myself should not be surprised if the final development took the form of one Territorial Force governed by a single Act.

My Honourable friend next referred to cadet courses in European schools in India and asked why similar courses should not be introduced in Indian High schools. As far as is known here, the Army does not provide any instructors or equipment for any cadet course in private schools in India. It is possible that sometimes arrangements are made with local military authorities for schools to get some very limited assistance, but of the details of such assistance, if any, I have not been able to obtain information within such a short time. I will, however, make an enquiry into the whole question. I fully share the anxiety of the Honourable Member to adopt such steps as are possible to make educational institutions better fitted to meet the needs of the Defence Forces.

I regret, Sir, I was not in my seat when my Honourable friend, Mr. Lawson, referred to the exploits of the drivers of military vehicles in Calcutta in colliding with tramcars and in classifying the public into two classes, namely, the 'quick' and the 'dead'. Both the local military authorities and ourselves are fully aware that room exists for considerable improvement in the driving of service vehicles; the matter is one which receives constant attention, and the local military authorities have recently taken certain measures which will, we hope, lead to appreciable improvement. Continuous joint patrols of Army, R. A. F. and U. S. Provost have been established in Calcutta. Additional traffic signs have been erected. Speed limit orders of the Army, the R. A. F. and the U. S. Forces have been unified. India Army orders have issued stressing the need for careful driving by military personnel. Orders have also issued that cases of reckless driving by I. O. Rs. where death or injury to civilians is involved will be tried by civil courts. Very careful instruction in

[Mr. C. M. Trivedi.]

driving is given at the Motor Transport training centres, and if any Honourable Member feels that this instruction is not very thorough, I shall be glad to arrange for a visit by him to some of these training centres. The Bengal Government wrote to us some time ago that already there was appreciable improvement in the situation at Calcutta. I have every hope that matters will improve still further. The G. O. C.-in-C., Eastern Command, is taking a personal interest in the matter and His Excellency the Commander-in-Chief has directed that the question should be discussed in all its aspects at the next meeting of the Army Commanders' Conference. As regards the compensation paid to the Calcutta Tramways, I myself am somewhat surprised that the Tramways have received only the princely sum of Rs. 45 when it is alleged that the damage is to the order of Rs. 12,000. The position is that claims up to Rs. 1,000 are settled by Army Commanders. Claims above that amount in any individual case require the sanction of the Government of India. I have no doubt that the Calcutta Tramways are well able to look after their own interests in this matter. I hope my Honourable friend will be satisfied that we are doing all that is possible in the matter of measures to ensure careful driving of military vehicles.

With these words, Sir, I conclude.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Kural): Sir, in discussing the Finance Bill, one sometimes feels inclined to travel from China to Peru. I shall, however, confine myself to two things. Firstly, a review of the administration for the year 1943, and, secondly, the taxation proposals of the Finance Bill.

Now, Sir, as regards the review of the year 1943, the year has been an eventful one. I propose to discuss the activities and the administration of the Government during that year and the outstanding facts and features of the year's administration in the shape of a balance sheet, or to be more accurate in the shape of a profit and loss account, showing what from the people's point of view they have gained and lost in the year. As regards the profits, I must admit that so far as the defence of India is concerned, we were more prepared in 1943 than we were in 1942. Whether we were adequately prepared or not, that is another question, but it must be admitted that preparations for the defence of India now have been better than before. But I am afraid that that is the only item of profit that can be shown in my profit and loss account. The rest of the profit side is blank.

I shall now speak of the losses from the point of view of the people. Now, Sir, the losses are really formidable and staggering. I shall summarise, Sir, as briefly as I can, some of those matters in which the country has suffered and lost in 1943. First of course, comes the loss of human life from starvation. People have died not in hundreds, not in thousands, not even by lakhs, but by many many lakhs, due to starvation. Although it is the acknowledged principle of this Government of India as of all other Governments—it is the primary duty of the Government to save every single life and not allow even the poorest man in the remotest countryside to die of starvation. From that point of view I do not know what the Government feeling is on this question. Then comes the loss of human lives from disease. Then comes the loss of cattle, which means loss of agricultural production, which means loss of milk, loss of butter, loss of ghee, that is, loss of food. The next item of loss is the loss of trade, specially export trade which is being allowed to be captured by foreigners. Time permitting, I shall develop this point. The next item of loss is the loss of great opportunity during the way to build up new industries and to expand old industries. Then comes another grievance, import of foreign troops into India and export of Indian troops out of India—a most unnatural arrangement on the very face of it—due obviously to the distrust of the very people who have saved the situation in many theatres of war in different countries. The next entry in my profit and loss account is this. Brushing aside indigenous talent and indigenous knowledge and import of supposed

experts, who may or may not know anything of the subject, and many of whom have been tried and found wanting. Of course, the greatest disqualification here in India is to be an Indian. Even the fairest man in India, my young man over there, who is fairer than the white occupants of the Treasury Benches—that won't improve his position.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Colour!

Mr. Akhil Chandra Datta: The next item is high prices of all necessities of life, higher than in any belligerent country, and higher than really warranted by the war situation. My next entry is the loss of professional independence of lawyers, not only of lawyers but of the judicial independence all over the country, even the highest judiciary feeling absolutely helpless and paralysed under the Defence of India Rules, the executive dominating the judiciary. The next item is corruption in many departments, the loss of purity of administration, and the consequent demoralisation is even more devastating than the actual waste of money. Extravagant expenditure in many departments I shall not dilate on. The next item is that law has been supplanted by Ordinances and the Legislature has been supplanted by the Executive. The next is continuance of political deadlock. The Government has been throughout regretting the deadlock but insisted that it is for the popular leaders to take the initiative for putting an end to the deadlock. But the Honourable the Home Member has recently denied the factum of political deadlock, and appeals like a schoolmaster to the dictionary for its ordinary meaning. Next comes detention of a very large number of patriots of India without trial for an indefinite period and without sufficient personal allowance or family allowance. The next entry is very important, the gagging of the press by censorship, censorship regulations being governed not only by military considerations but for political reasons. Another valuable right has been lost, namely, the right of freedom of association, there being ban on meeting, processions and so on, ban on Independence Day meetings and Pakistan Day meetings. Then my next item is the Indianisation of the Executive Council which has been demonstrated to be a mere camouflage, if not a fraud as has been characterised by Nawabzada Muhammad Liaquat Ali Khan. His description I cannot improve upon. He said that the records are the same but only the gramophone is different. I cannot conceive of a better description of the expanded Executive Council. The most unfortunate thing of this year is the estrangement between the Government and the people. It was never so complete as in 1943. The next is the surrender of civil administration to the military even in the administration of the famine relief. Again, surrender to and abdication in favour of Americans—I am told that even station masters and signallers in Assam are Americans, not to speak of the higher officials controlling the policy of the railway administration in Assam and Bengal. There is another grievance. People have been ousted from their homes and business places even where alternative arrangements could be made without inconvenience to the military people. I may say I am one of the victims myself. I have been practically turned out of Comilla which is my home and place of business. All my houses, not only residential houses but all the houses I own have been taken away by the military with the result that I cannot go to Comilla at all. Even education has suffered during this year. Schools, colleges, boarding houses, have also been requisitioned and dislocated, when actually these things could have been very well avoided. That is my profit and loss account. This also may be called a charge sheet.

Let me say a few words about the present food situation in Bengal. It is sometimes asserted by some people that there has been an improvement in the position. I want to say this that there has been really no substantial improvement. Rice was selling at Rs. 40, 50, and 60; it has certainly gone down to Rs. 20 or 25. I believe the prevailing price of rice is Rs. 20 in Bengal now, but it must be remembered that Rs. 20 is four times or five times the pre-war level of prices. And it cannot be overlooked that people are still dying of starvation. That is a fact which cannot be controverted. Still they are dying. Therefore, there is no reason for optimism, much less for complacency on the

[Mr. Akhil Chandra Datta.]

part of the Government. The case of the Government of India as regards the food position now in Bengal was explained the other day in another place. Now, I have carefully examined that case and my contention is that there is absolutely no reason for optimism. I shall give my reasons. (An Honourable Member: "Where is the Food Member? He is not here.") They never care to attend. We have always cried in the wilderness and this time also I shall cry in the wilderness. I say that the attitude and outlook of the Government of India with regard to the food situation is not the proper one. My reasons are these. First of all, as regards supply, the *Aman* procurement scheme has failed. Not even 25 per cent. of the surplus rice has been brought out of the cultivators' possession. This is about the supply. It is admitted that public confidence has not yet been restored. That psychological element is the most important thing. After supply, comes the question of distribution. The problem is essentially one of distribution. As regards distribution it is admitted that the transport position is very unsatisfactory yet. Rice is lying in railway stations in huge quantities. There is no arrangement for moving the grains to the proper quarters. There was one means of conveyance—that is by country boats. That has been made impossible now, because the country boats have been destroyed or taken away in pursuance of the denial policy of a panicky Government. In fact, it has been admitted in so many words in the other place only last week that the situation in regard to internal transport is still unsatisfactory. I say that the Government's optimism has no foundation, because as a matter of fact the real position in the country is not known at all. There are no sufficient data. Statistics have not yet improved. Now, it has been admitted the other day by the Government that so far as agricultural statistics are concerned, we are in the same position as before. No improvement has been made in spite of the recommendations of the Food Grains Policy Committee, who emphasised that the statistics are essential for the formulation of a successful food policy. The reporting agencies have not been at all improved. How can you provide for a situation which you do not know? A false sense of security is the worst enemy you can think of and the false sense of security of the Government of India and of the Government of Bengal was responsible for the famine in Bengal last year. The wonder is that the Government will not learn even after the bitter experiences of last year that to be forewarned is to be forearmed. Famine has partially gone but it has left its legacy behind. With regard to that, rehabilitation is necessary but I was surprised to hear from the Government Member the other day that so far as Bengal is concerned, the rehabilitation scheme has not yet got the financial sanction of the Government of India. Even sanction has not been given to that scheme. That being the position, the question now is—what is the remedy? The food problem is the most important problem in India now. It is not a question of political progress; it is not a question of economic emancipation. It is a question whether the people will live or die. With regard to the food problem, there are some fundamental truths which must always be kept in view. The first and foremost is that India is not self-sufficient in the matter of food. The second thing is that we have got it on the highest authority that not only during the time of famine but even in ordinary times, there is under-nourishment of one-third of the entire population. The problem of rice deficit is not mainly a war problem. It is a problem for all times and, therefore, the only satisfactory solution of the food problem, which has been emphasized by the Food Committee, is increased production in the country itself. The question now is how to increase production. That is the most important question. On this question various recommendations were made by the Food Grains Committee. My grievance is that those recommendations have not been seriously considered by the Government who have not seriously and honestly applied their mind to them. I shall give one illustration. One of the most important recommendations is that more land should be brought under cultivation. What is the position about this question? The Honourable Member for Education, Health and Lands said in another place last week that even figures are not available as to whether

any land which was uncultivated before has been brought under cultivation now, as the result of the 'Grow More Food' campaign. Nothing can be more unfortunate than this. It proves the absolute callousness of the authorities concerned in this most vital matter. Time will not permit me to deal with the various other recommendations of the Food Grains Policy Committee, which have not been carried out by the Government, not even the one relating to the Central Food Grains Reserve Fund. As regards the food problem, I want to make a special plea for Bengal. The problem is acutest in Bengal. That province is now the supply and operational base against Japan. Just at the present moment, the enemy is at our door and Bengal is the base and, therefore, it is not only the duty of the Government of India but it is the duty of the United Nations to see that there is no want of food in Bengal. In fact, one of the recommendations of the Food Grains Committee was that the Government of India should urge on the United Nations to see that Bengal gets its food.

Now, Sir, I want to say a word about the export trade. My Honourable friend, Mr. Krishnamachari, has already dealt with the matter very exhaustively. The facts are that so far as the export trade is concerned, the U. K. C. C. is out here to capture and monopolise the export trade of India. I shall not go into the matter at length except to place one or two facts before the House. One fact that I wish to place before the House is that the shipping space is allotted by authorities in London and Washington with the inevitable result that preferential treatment is given to people of the United Kingdom and those of America for the simple reason that blood is thicker than water. Now, I am told that when a ship arrives in an Indian port, one finds that the shipping space has already been reserved for non-Indians even before the ship arrived at an Indian port. Not only in the matter of space but even in the matter of purchase preferential treatment is given to non-Indians. I am told that the U. K. C. C. purchased last year tea in India at 14 annas per lb. whereas the Indians had to pay Rs. 1-4-0 to Rs. 2 per lb.

As regards the industrial development of India, we have got the resources and the raw material. But the admitted fact is that India is industrially very backward. In view of these two facts, it is essential that there should be an industrial research. Now, Sir, under the auspices of the National Institute of Science a conference was held in Delhi the other day. It has been urged by Sir J. G. Ghose, the eminent great scientist, that there should be an annual grant of 25 crores of rupees for the promotion of industrial research. What is the response from the Honourable the Finance Member? He has given 10 lakhs for the development of glass industry. He has also promised a grant of one crore of rupees by a post-dated cheque and an uncertain cheque, the proceeds of which will be paid not now but in four or five years after the cessation of the hostilities. After making that magnificent grant, the Honourable the Finance Member cannot restrain himself. But he congratulates himself by saying:

"This step would, I am sure, be regarded as the practical expression of Government's resolve to promote the development of India's industry."

Comment is unnecessary. I shall only say that this is adding insult to injury.

Now, Sir, I wish to say a few words about the taxation proposals. On tobacco a duty was levied for the first time last year. The Finance Member now proposes further increase of the tobacco duty. Tobacco dust was being sold at Rs. 1-8-0 to Rs. 2 per maund and the taxation last year was Rs. 5-2-6 per maund. It was more than 300 per cent. over the price prevailing at the time. As regards *khutan* the price was Rs. 10 per maund and the duty imposed was Rs. 31, that is, 300 per cent. over the price. The present proposal is Rs. 30 per maund and the duty imposed was Rs. 31 per maund. That is approximately 100 per cent. It is now proposed to raise it to 150 per cent. Sir, this duty has been levied after cogitation of 80 years. For 80 years there was investigation and no Finance Member ventured to levy this duty. There

[Mr. Akhil Chandra Datta.]

were so many difficulties which were considered to be insurmountable. For 30 years they went on investigating but no duty was imposed in view of the local conditions in the country. But Sir Jeremy Raisman is bold and brave if not desperate, he has proceeded undaunted. Not only did he levy this duty last year, but only after a year he proposes to increase it in some cases by 600 per cent. because the duty of one anna is proposed to be raised to 3 annas and the duty of 6 annas is now proposed to be raised to 9 annas.

Now, Sir, what are our grievances with regard to this tobacco duty? My first complaint is it is a tax on agricultural income which this Legislature has no right to tax. When the Bill was passed last year, the Honourable the Finance Member gave us this assurance:

"I do not regard this duty in the nature of a tax on agricultural production and will certainly administer it in a manner which will not constitute it a tax upon agriculture, which will be levied at a certain stage in the trade of tobacco."

That was the assurance given. My grievance is that that assurance has not been honoured. We were told that so far as the grower is concerned, there will be no financial burden upon him. Some restrictions may be put on him but there will be no financial burden on him. That assurance, as I said, has been dishonoured in actual practice. It is dishonoured in two ways. In the first place, it has been dishonoured by the rules that have been framed. It is now an Act of 1944. The words in the charging section are all right; they are in keeping with the words of the Constitution Act. But the sting is in the tail.

A rule has been framed under the Act. Rule 19 says that as soon as tobacco has been cured and is in a fit state for sale, duty shall be chargeable. Now, Sir, the grower is himself in many cases the curer. My submission is, this is agricultural income on which tax is proposed to be levied under Rule 19. I should not be told that the Act is already there and that I have no right to challenge it in this House. I know it. What I am challenging now is not the Act. I do not know with what object the words used in the charging section of the Tobacco Act have been substituted now by the words 'produced or manufactured'. These are words of entry No. 45 of the Federal List. But what I complain of is against the rule. Rule 19 says that wherever the product is cured and is in a fit state for sale, the duty shall become chargeable. Now, Sir, I submit that rule 19 makes the duty a tax on agricultural income, so far as the growers are concerned and therefore this rule is *ultra vires* of this Legislature. What is an agricultural income? Agricultural income has been defined in the Constitution Act as an income which comes within the definition of the Income-tax Act. Now, Sir, "agricultural income" is defined in section 2 of the Income-Tax Act as—

"any income derived from such land by the performance by a cultivator or receiver of rent-in-kind of any process ordinarily employed by a cultivator or receiver of rent-in-kind to render the produce raised or received by him fit to be taken to market or, (iii) the sale by a cultivator or receiver of rent-in-kind of the produce raised or received by him, in respect of which no process has been performed other than a process of the nature described in sub-clause (ii)."

So, Sir, according to the definition of a "curer" which includes a grower coupled with the definition of "curing" which includes all these processes which are mentioned in the Income-tax Act, tobacco duty so far as grower is concerned becomes under rule 19 a tax on agricultural income inasmuch as he performs all the processes which are ordinarily employed by a cultivator in order to make his product fit to be taken to market. Therefore, Sir, obviously rule 19 of the Excise Rules militates against the Income-tax Act, and the Constitution Act of 1935. Therefore it is *ultra vires* and it has obviously become a tax on agricultural income. This is a very serious question and unless redress is given by the Honourable the Finance Member, we shall have to take up this matter before the Federal Court. So far about the rule itself. The tax is made more oppressive in the actual administration by the excise staff. What they do is to misinterpret the rules. They manipulate in such a way that what is taxable at the lowest rate is taxed at the highest rate. For instance, when stalks and stems are mixed up in *biri* or snuff, even that portion is taxed at the same rate as the higher quality of tobacco. The result is that

the benefit of the provision for lower tax in the case of stalks and stems is utterly lost to the grower and the trader. As regards chewing tobacco what happens is this. The merchants in Bombay import tobacco from Gujarat and other places. Tobacco is used for both purposes, for being mixed up in *biri* and snuff and also used as chewing tobacco. When that is the position, the dealers dealing exclusively in chewing tobacco keep their account books separate and it can be easily found out how much is used as chewing tobacco. The excise officials in their zeal tax that portion of tobacco also which is used for chewing at the higher rate of *biri* and snuff. I am told that the people in Bombay have been paying this higher rate under protest, and in spite of representations to the Government of India they have been given no relief. Not only this. When the Bill was passed, we were assured by the Honourable the Finance Member as follows:

"Numerous difficulties will doubtless be encountered in the operation of the system and it may have, from time to time, and perhaps in particular areas, to be altered in certain details of its working; but while some of the difficulties may be formidable, we do not regard them as insuperable; and we were satisfied that, given close supervision and careful governance, which we have arranged to provide, the system can be made an efficient fiscal instrument which will impose no check on production nor be burdensome to the trade."

Now, Sir, we had an illustration the other day of the kind of supervision given. Because when the increased rates were announced on the 29th February evening, people who had already paid the duty before the 29th or 28th, obtained their clearance and stored their goods in duty paid godowns were charged enhanced rates for their goods although these rates had not yet come into force and duty had already been paid. These officers also went to the length of sealing the duty-paid godowns so as to prevent the removal of the goods by the merchants. That happened even in the case of a big company like Moolji Sicka and Company who paid as much as 15 lakhs of rupees as duty last year. Even in the case of a respectable firm like that, having already received the duty from them and allowed clearance, they were asked to pay enhanced rates which did not yet come into force. That happened also in the case of another company, Hajee Latif Abdoolah. This is not an isolated instance; it happened in many parts of India; it happened in the Central Provinces, in Calcutta and even here at Delhi under the very nose of the Finance Member. That is the sort of administration of this tobacco duty. It is, therefore, a matter for consideration of the Finance Member whether he should proceed with the proposal for enhancement of this duty.

There is another point about this tobacco duty. It is a duty on the poorest people. I appeal to the Finance Member to consider whether there is any single manual labourer in the country to whom smoking is not as necessary as his food itself. With this tax on tobacco he has to pay four or five times the price for it that he used to pay before. This duty on tobacco is, therefore objectionable on that ground also. It taxes the rich and the poor alike without regard to the capacity of the people to pay.

As regards the other taxes I do not wish to discuss them at length at this stage; I will deal with them on a later occasion, if that stage is reached. Sir, I am opposed to the proposal of tax on tea, coffee and betelnuts. As regards betelnuts I come from that part of the country where they are grown in large quantities. I know how extremely difficult it will be to administer the realisation of this duty. In my own house there are hundreds of trees; how will you realise the duty? Some are plucked in an unripe condition and there are people who take unripe betelnuts. I say the administration of this duty will be far more difficult than the administration of the duty on tobacco. As regards the tax on tea, apart from the merits of the duty, as regards incidence, what is the price of a pound of tea sold now in the internal market? It is 4, 5 or 6 annas. And the proposed taxation is 2 annas per pound. It is extremely exorbitant, and on these grounds I oppose the Finance Bill.

The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Shrimati K. Radha Bai Subbarayan (Madura and Ramnad *cum* Tinnevely: Non-Muhammadan Rural): Mr. Deputy President, Sir. Watching the proceedings of this House during this Session with an attentive ear, it is obvious that the British policy is characterised by a marvellous gift for creating monsters for their own ends and then starting wars to destroy them when they become recalcitrant. They created Hitler and, when he defied them they busied themselves with a war to destroy him demanding from their subject India a large share of the sacrifice in their noble work. They created the Jap Imperialist and when he joined hands with his brother Hitler they determined to fight him and again slave India had to offer her blood and money to save herself and the country from the hands of this brute also. But their latest creation is within our own shores an elusive demon who glories in the name of 'inflation'. And now to fight this monster also the Indian people have to suffer. In order to achieve victory their hardships and their miseries have to be increased. So it follows, Sir, that in the British pursuit of creating and destroying monsters, India has to be trampled down and bled. But it is all done on principle and for the good of India. This is the impression that one gets if one thinks honestly and believes in calling a spade, a spade.

High finance itself is liable to be alarming and along with inflation it becomes frightening, but the measures that have been suggested by different authorities for fighting inflation, I think, will bewilder even experts. The Honourable the Finance Member very kindly in simple language tells us that whatever brings money to the Government is anti-inflationary. He and his colleague, my Honourable friend the War Transport Member, are, therefore, agreed that they should save people from the temptation of dropping money into the coffers of Railways especially as they have purchased two more Railways. The House must have heard that the Governor of Madras has a great plan. He has increased the sales tax and in order to enable the people to drink less of the double-taxed tea and coffee and to forget all the distress that is caused by the taxes he has ordered that more toddy and arrack shops should be opened. But the most novel idea struck the Honourable the Finance Member himself. When he was driving along in his stately car, the little flag on it telling everybody that he is going to "Exterminate Congress," his greedy eye happened to fall on the humble *supari* of the poor woman on the road-side. He at once decided that he would fight inflation by placing the *supari* out of the reach of that poor woman by raising it to the status of a taxable commodity. But to crown all his measures is the bankrupt's remedy of Prize Bonds. How desperate must indeed be the condition of the Government to raise revenue by taxing the poor woman's *supari* and by exploiting the human weakness of gambling with the dazzle of lottery! Never in the history of India—chequered though it be—has any Government dreamt of such measures. It was left to the present Finance Member to create startling precedents. Muhammad Bin Tughlak must be turning in his grave with envy that he has been surpassed after so many centuries.

The Honourable the Finance Member admits that inflation cannot be cured without the co-operation of the people—I hope I am correct in interpreting the Honourable Member's statement. Does he honestly believe that this Budget will rouse the people—capitalists, landholders, workers, peasants, professional men, every man, woman and child—to line up behind the Government and save the country from all the economic epidemics that the Government have let loose in the country? I was wondering whether my Honourable friend, Sir Frederick James, was supporting the Government in the hope that the Grand Trunk Express would be more efficient as it would be run

entirely on State Railways. But he told us that he and his Group support the present Government of India because they are also a group of individuals who are determined to prosecute the war to the maximum of their ability. The Honourable the Leader of the European Group exhorted the Government to become proficient in the art of salesmanship, not that anyone can doubt the born gift for commercial success of a nation of shopkeepers. But the presence of ten little Indian boys among them might have caused him some anxiety. The question, however, before this House is whether a successful salesman can make an efficient and honest statesman even to win the war. May I ask the European Group whether they really believe that this Budget will achieve the purpose for which they are supporting the Government? Will it create that confidence in the masses about their well-being that is necessary to make them line up behind the Government to win the war? They all know that it will do nothing of the sort. But they will put the blame on the Congress for their failure as they do for their inability to arouse enthusiasm for their ridiculous prize bonds. This Bill is, in the opinion of anybody who can think seriously without being captivated by the glamour of the Government Benches, the Bill of a bankrupt Government which has lost confidence in itself and does not enjoy the confidence of the people which it tries to govern. It is a Bill which would be fitting for an enemy of the Government of the country to present to the country. The most sinister of Tojo's agents could not make a better propagandist in the country to ruin the efforts of the Government to win this war than this Bill does.

The reason for this Bill defeating its avowed purpose is the policy lying behind it. It is not the economic or the financial crisis that is worrying the Government. It is the political situation that they are concerned about. It is their determination to refuse the Indian nationalist demand for freedom to fight for their country and to save their country from falling into the hands of brutal invaders. It is the deadlock policy which seems to be perpetuated now with the seal of the new Viceroy. It is the reflex of the diatribes against the leaders of the people by Amery in England and his agents in India. It is the reflex of the policy typified by the Honourable the Home Member under the Defence of India Rules. The treatment of that stalwart champion of freedom, my leader, Mrs. Sarojini Naidu, proves that the policy of Government is to prevent unity of the people, to deny freedom and to continue repression. It is apiece with the arrest of Congress leaders in August 1942 by which the Government deliberately precipitated the crisis. They were afraid that the efforts of Congress-League unity would be successful, as a united India is a nightmare to the British. Even the other day we could see uneasiness in the European Group when they smelt the small beginnings of it in this House. They therefore continue to scourge the Congress and kick the Muslim League and try their best to sow dissension between the Congress and the League. They do not want any co-operation from the people as long as they have a few individuals who will allow the old ways of exploitation to be continued ruthlessly and who will be their mouthpiece when necessary to abuse the national leaders of the country.

It is exploitation, Sir, which makes them draw a heavy screen over their administration. Close scrutiny might lead to exposure which might shock the world and throw them out of their seats. A particularly heavy *purdah* has been placed against Defence, which has become a much more of a touch-me-not and see-me-not subject than it was before the war. The Government has been silent, for instance, about Indianization of the Army, and it is not clear why the Government should continue to have a large section of the British in the Indian Army even when 2,000,000 Indians have been drafted into the Indian Army, and there are, moreover, British and American regiments stationed here for war purposes. There is no information about the progress made in the Indianization of the officer ranks. I believe a committee was appointed to examine this question and instead of speeding up the work of this Committee when war began, they put it into cold storage. My Honourable friend, here,

[Shrimati K. Radha Bai Subbarayan.]

tells me that the Indian Officers are only 10.5 per cent. Is this how the Government are going to develop a National Army in India?

The Government are prolific in their verbal expressions of appreciation of the skill and courage of Indians on battlefields but no positive proofs have they yet shown of their sincerity. When Indians in the Army have proved themselves capable of fighting successfully even on unfamiliar ground and against a highly trained and well-equipped enemy, surely the British cannot plead that they are obliged to keep foreign armies here on the score of efficiency and experience. Also, as you, Sir, pointed out this morning, what is the reason for sending our troops abroad and bringing in foreign troops to defend our shores? Apart from the extra expenditure involved in this policy, why should our own people be denied the precious privilege of defending their own country and building up high military traditions in their own land. I think, Sir, the House will agree with me that the reply of the Honourable the Finance Member on this point was halting, vague and weak, and I think we can surmise more from his reply than he would like us to know. Are the Government afraid to have an Indian Army in this country, without counterbalancing it with British regiments? The British authorities have declared that India will have freedom after the war is over. If they are really in earnest about it, they must now develop a national army. My Honourable friends, Dr. Ambedkar, Sir Ramaswami Mudaliar, Sir Sultan Ahmed and Sir Cowasjee Jehangir will remember that at the Round Table Conferences the main argument that was put forward for insisting that defence and external affairs should be reserved subjects, was, that India had no national army. I should like to know if my honourable friends in the Government have assured themselves that this same old argument of the ancient Round Table Conferences will not be trotted out when the time comes for implementing the pledges that are now being given about independence, especially since they believe those pledges.

Another subject on which the Government of India seem to be silent is that of social security in India. The British Government, who, we are told, are conducting a great world war, seem to be able to give time and thought to the details of their policy on what is known as the Beveridge Plan for social security in England. But the Government of India have not yet indicated whether they have in view any scheme for social security which will be welcomed by the people. Past experience makes us surmise that the reasons for absence of this information is that the so-called post-war reconstruction planning is a joint effort of the British Government and their agents here to accelerate the exploitation of this country in order to ensure social security in England. The working classes in England are awake now and they disturb the peace of mind of that little group of people who are behind the Government as the 200 families in France were behind the Daladier Government. That vigorous writer, Douglas Reed, refers to them as "anonymous" or "Anon", and I think they correspond to that small exclusive community here called the European Chamber of Commerce. In order to pursue their common policy, which, in the words of the same writer, is, "come war, come peace, come victory or defeat, I shall get my money".

Mr. T. Chapman-Mortimer (Bengal: European): No excess profit!

Shrimati K. Radha Bai Subbarayan: These two groups are obliged to pacify the working classes of their country and this, of course, must be done at the expense of their subject people, whom they can easily silence and crush. But there are signs that the British people in general, including prominent parliamentarians like Sir Richard Acland, are gravely concerned about the state of affairs in the world. Skipton has shown that they do at heart realise to what extent their Government is responsible for the miseries of this world

and certainly for the sufferings of the people of this country. Searching questions such as these are being asked at meetings and in the press. The following appeared in the *Spectator*, dated the April 9th, 1943, nearly a year ago:

"Sir, on reading your article under this head certain questions spring to one's mind, indeed, the leader in the *News Chronicle* of April 2, suggests that they may disturb more Britishers (not to mention Americans) than you appear to think. Here are some:

1. Is it British to publish and to discuss in Parliament an indictment of a man in confinement with no opportunity of facing his accusers of answering the charges?
2. Is it cricket to judge (and condemn) a man on excerpts taken from his sayings and writings on various occasions and relating to different circumstances? Equally, is it right to condemn a man on an assertion served from the conditional clauses which govern it?"

The Honourable the Finance Member states with vehemence that Members of this House should not criticise an officer who is not present here to defend himself. And yet, he and his colleagues malign the trusted leaders of the people and level charges against them while they keep them in strict confinement without trial! What is the real reason for this? They know that their accusations are absolutely false and are used in an attempt to delude the world, but a Government, which understand the mysteries of the philosophy of the ostrich, do not realise that they delude nobody but themselves. The effect of such a policy is the reverse of their purpose, as is shown by this letter and by the recent elections in England:

"3. Can Indian leaders fairly be expected to put up any promising proposal if they are not only prevented from intercourse with those who are confined on account of their wide influence, but are also refused an interview by the Viceroy?"

It would be interesting not only to this country but also to their own country if the Members of Government reply to these questions:

"4. Can Britishers feel comfortable about a situation in which our firmest friends are the autocratic Princes, and our opponents—rightly or wrongly—are those who are struggling for the full freedom now which we have taught them to love these last hundred years?"

5. Is sabotage in India, carried out by Indians as they believed for freedom's sake, different in kind or intention from sabotage in European countries overrun by Germany?

6. Is not the Christian Church in India right and reasonable in urging that, with a view to future good relations between Britain and India, Christian statemanship consists in seeking a way of negotiation rather than in sitting down before a political deadlock and just getting on with the war?"

This letter is signed by G. E. Hickman Johnson, "White Shack", 12 Oakley Road, Worlingham, Surrey; it is not an anonymous letter.

I shall just refer to the last question. Christianity has become such a convenient creed for the British Government that if Jesus Christ should come back to earth today he would not believe that he gave it to them. The best exponent of it is the champion of Christianity, Lord Halifax, who was formerly busy with the Munich Pact, and is now occupied in refloating the sunken ship of British Imperial Federation.

The Honourable the Finance Member in his isolation from the people is quite content even if he cannot get the support of the people, as long as he can grab their money and men to fight his country's war. If mere men, money and arms are sufficient, the mighty British Empire should have won the war long ago. But what has the world seen during the last five years?

Mr. T. Chapman-Mortimer: We have won it now.

An Honourable Member: Never mind.

Shrimati K. Radha Bai Subbarayan: I know it is painful to you... (Interruption.) Even if it is not painful to you, it is painful to me, because I expected bigger things from the British in this war.

Mr. P. J. Griffiths (Assam: European): Thank you.

Shrimati K. Radha Bai Subbarayan: Instead of getting enraged when reminded of Dunkirk, Malaya and Burma, they should benefit by the lessons from those failures. There would be no need to revive their memory about them if they should show any sign that they have taken these lessons to heart. But their rage is an effort to suppress their consciousness that they are pursuing a wrong policy in India. They do so because of their implicit faith in their luck and their capacity to blunder through it all to victory. It matters not to them if in this long process of blundering through towards victory, millions of young men are slaughtered on the battlefield or become wrecks in the prisoner

[Shrimati K. Radha Bai Subbarayan.]

of war camps, if whole territories are ravaged by their enemies, and men, women and children die in millions through starvation and disease in their subject countries. This callousness is exhibited in speeches and the press by the British in India. When in the anguish of our hearts at the misery and suffering in our country we warn them sternly to change their policy, they accuse us of being inspired by racial and party rancour because some of our people are imprisoned. They magnanimously admit that "existence under present deprivations for these people is not pleasant". Persecution and imprisonment of subject people in the opinion of our rulers amount only to unpleasant deprivations! Is it generosity or racial contempt for these subject peoples that makes the British gibe at their victims? Where are Mahadeo, Satyamurti, Johri, Mata Kasturba, and hundreds of others whom they incarcerated? Do they exist? Is it sympathy or vindictiveness, that makes the British refer so lightly to them?

The British in India in their luxurious mansions in an exclusive world of pleasure, exclaim surprise that India is lucky that five years of history's worst war has left her comparatively scatheless. Sir, the whole world has been deeply moved by the famine and its terrible consequences in India. But evidently the British in this country who speak or write in this manner are not perturbed by them since their vision hardly ever descends on the lowly and the depressed. Are not the sufferings of millions of people and desolation of their homes, far worse when caused by the inefficiency and callousness of their own Government than when the destruction is due to bombing by enemy during a war? The fact is that they are conscious that their Government in India have declared war on the people of India by imprisoning their trusted leaders.

Another charge against us is that we do not sympathise with the Britons in our midst in their anxiety about their loved ones, who are either maimed or lost on the battlefield or through bombings. The human heart is the same all the world over. Neither race, creed nor colour can affect it. We in India do deeply sympathise with the people not only of England, but also of the enemy countries, for all their sufferings, for the desolation of their homes, for the gaps in their homes which perhaps will never be filled and for the homes that they may never recover. It is only when the heart is hardened by Imperialism and racial arrogance that it fails to beat with sympathy for the sufferings of the people outside their own race in a subject country. This section of the British forget that Indian homes and hearts are also saddened with heavy anxiety and sorrow for their loved ones away at the battlefield, although reference has been constantly made to the great part that Indian troops have played in North Africa and Italy. Perhaps they forget that these troops are not mere instruments for fighting battles to maintain Britain's supremacy in the world, but are human beings who are loved and cherished by their parents and their kith and kin. Perhaps the Indian Government too do not realise this and imagine that the Casualties Section of the Defence Department to which my Honourable friend, Sir Yamin Khan, referred this morning, is a 'non-essential' one and keep it on the distant heights of Simla.

It has become a habit with the British to give us the pompous warning that the Congress alienates the progressive-minded Britons and thrusts them into the arms of reactionaries which may have big political consequences and lose us the precious Indo-British amity. Who are these progressive-minded Britons who do not appreciate the demand of the Indian people for freedom which the British themselves proclaim they are fighting for? This weapon has been waved too often and does not frighten even the most ignorant. The tragedies of Malaya and Burma stare us in the face. Into whose arms have these people fallen and who thrust them there? A Britisher, a responsible writer and thinker, Mr. Ian Morrison, the representative of the *Times* in Malaya writes the following:

"The British, so it was universally held amongst Asiatics, had rattled out of Penang, had thought of saving no skins but their own, and left the Asiatics to their fate at the

hands of the Japanese as if they didn't give a damn what happened to them, had not even told the Asiatics that they were leaving but had suddenly legged it as hard as they could. I do know that three senior members of the Malayan Civil Service felt the disgrace so deeply that, after Penang had actually been occupied by the Japanese, they petitioned the Governor to be allowed to proceed to Penang as an act of restitution to the native populace."

In April, 1942—I am very sorry to have to refer to these things—the people of my province witnessed how the instinct of self-preservation helps the British to vanish from a subject territory without even the enemy appearing on the scene or firing a single shot. The whole Government disappeared out of the city into the interior on the mere rumour that enemy ships were off the coast. The Honourable the Finance Member states in his Budget speech that my country is prone to rumour and panic! Mr. Morrison in the same book observes:

"Penang was a major scandal. But the outcry which it provoked was not without some useful results. It brought home to the British officials and residents their sense of responsibility to those native peoples whom they purported to govern and with whom they lived and worked."

Perhaps this able writer is not acquainted with the British officials and residents in India. I am reading from a book called 'Malayan Postscript' by Ian Morrison. I thought the Members of the Government of India would have read it.

An Honourable Member: They have proscribed it. They are most ignorant.

Mr. Abdul Qaiyum (North-West Frontier Province: General): They refuse to learn.

Shrimati K. Radha Bai Subbarayan: The American War Correspondent, Alfred Wagg, in his book "A Million Died", while discussing the causes of the fall of Burma states that the opinion of impartial observers was that to the ordinary Burmese, Government meant taxation for which they got very little in return and that the Government of Burma failed to earn the respect and gratitude of the people by conferring material benefits on them. What is the Government of India doing today? Far from conferring material benefits, they are making existence itself increasingly difficult to the people in general. In Briton, in spite of all the privations of war, the Government provide weak children, expecting and nursing mothers who are very poor, milk, eggs, cod liver oil and orange juice free. Here in India, the Government with ten Indians in it, not only fails to supply such people in India with even minimum sustenance, but is very happy along with its supporters to tax even the very little that was within their reach. The Honourable Members of the European Group are so greatly moved by the sufferings of Bengal that they ask for generous help for Bengal from the Central Revenues to which they themselves would rather not contribute their rightful share of their coal profits. What remarkable sympathy!

Malaya and Burma were comparatively normal when they suddenly collapsed; but India is in a terribly sad state now. I dread to contemplate the consequences of the British policy in India, which takes no heed of warnings of the conditions in this country. Cheap gibes such as those of British non-officials and the Members of the Government and their supporters against the Congress, the Nationalists or the League can blind no one but themselves to the gravity of the situation. If the dreaded worst happens, because of the isolation, ignorance and inefficiency of this Government, it is not the Congress which will go into the wilderness for refuge from the enemy. Congress is not afraid of suffering, and will fight for freedom, and attempt to save the country, and even die in the attempt. With our sacrifice we will save our country. This is our land and we have no place for retreat. We shall fight the invader to our last drop of blood.

Sir, the cut motion on Monday last was to express no-confidence in the Government and not in the Congress. I waited patiently through all the diatribes that were hurled against the Congress by the spokesman of the Government, to hear some little argument to justify their continuation in office but the only defence that was put forward was from the European Benches and what a weak one it was! None could even try to convince that the expansion of the

[Shrimati K. Radha Bai Subbarayan.]

Executive Council was right and had benefitted the country. Abuse of the Congress does not prove that the Government is in the right and that its policy has been in the interests of the country. The Congress Party is responsible not to the Government but to the people of the country. If the Government really believe that we are unworthy to voice the feelings of the people, then they have only to adopt the straight and honest course, namely, to ask the people to give their verdict on the issues that are before the country. They dare not do it. They killed our Deputy Leader, Mr. Satyamurti. What was the result in the bye-election in spite of the restrictions that they put on the Congress candidate and his supporters and all the facilities that they provided to his opponent?

A million speeches from Congressmen, whether they be inside the House or outside, even those insinuated and quoted out of context by the Government against leaders like Mahatma Gandhi and Mr. Jawaharlal Nehru, would not rouse popular resentment and bitterness against the British people as the policy of the Government itself and the statements of their spokesmen do. The outbursts from the Government Benches remind one of the reports of speeches of Hitler and Goebbels against the Jews. But even Hitler spares the Jews the intense pain of seeing some of their own clan being the gramophones of their persecutors. My Honourable friend, Sir Frederick James, I am sorry he is not here, remarked in this House that some words of encouragement should go out to the Indian defence services from all parties of this House. Does he and his Group honestly believe that the speeches of the Honourable Members on the Government Benches last week would cheer up any Indian, especially Indians who offer to sacrifice their lives for the freedom of their country and the world? Do they honestly believe that such speeches will hearten the parents of these youths or will encourage other parents to send their youths to join the army?

The expansion of the Executive Council with ten Indians calculated to throw a popular element in the Government has really created more leaks in an already leaky boat and they cannot successfully plug them with abuse of nationalists. They splash their oars wildly and the big noise that they hear they mistake for progress and imagine they are pushing the boat ahead, but they do not know the simple art of rowing. Their boat remains stagnant and leaks frightfully. It is bound to sink from its own rottenness. Is the fate of this great country with 450 millions to depend on such a Council when a brutal and powerful enemy has actually entered her door and a starving population is inside? Watching the tragedy of Burma, Alfred Wagg remarks:

"The real meaning of war and the real issues at stake were never put to the Burmese by their own leaders. When, therefore, the Japanese came along with their calculated promises of Independence, they had found fruitful ground on which to work. British propaganda was poor, hesitant and negative."

Have my Honourable friend, Sir Frederick James, and his Group, who are impatient to win the war, given any thought to lessons from the fall of Burma? They may point out that they have not only their Honourable colleague from Assam but also some Indians to present their case to the Indian people. But they forget that unfortunately their erstwhile friends the Japanese have followed their example and they also have Indians to speak for them. Considering the whole position now in the country, there is no doubt that it is only a national government on whom the people can rely for spending every pie of the revenues of this country in the interests of India and India alone, that will rouse the people to line up behind the Government and save their country. Past grievances, real or imaginary, entertained by political parties inside this House and outside, or by the Government must all be forgotten by all sides, because the task that lies ahead of us is a stupendous one and it wants the united effort of all the people who are living in this country.

I am convinced that I shall be failing in my duty to myself as a citizen of this land, to my constituency and to my country if I support this Bill and thereby increase the distress and danger to the people and relegate to a distant

date the freedom, peace and happiness of my country. I assure my Honourable friend, Mr. Jamnadas Mehta, who I am sorry is not here, that it is because I am convinced that no Government which has not the people behind them can save our country from the fate that we all dread, that I cannot support the Bill. I hope he will see and understand this point of view. It is because we want to prevent our country from being ravaged by any enemy and because we want to end the war successfully and as speedily as possible and avoid unnecessary bloodshed that I request them to remember the message of Pandit Jawaharlal Nehru. He said:

"That the way to fight a war is not the lackadaisical way of the Viceroy's House and the Government of India. If there is a National Government, everybody will have to work or get out. It is not an evening dress war. It is work, work, work. Those who sit to dinner in evening dress at 8-15 are not going to win this war."

Later on, he said:

"If today a National Government of India said, 'We are going to arm the Indian people. We may not have the best of modern arms, aeroplanes, tanks; but we are going to arm them with such guns as we can make', think how the world situation will change; what reaction it will have on Germany and Japan and also in the Allied countries."

This is from the statement that he made to the Press Conference soon after the failure of what is known as the Cripps Mission. I trust all the Honourable Members will remember what he has said and do the right thing with regard to this Bill.

Sir, I oppose the Bill.

The Honourable Dr. N. B. Khare (Member for Indians Overseas): Mr. Deputy President, Shakespeare has said: "All the world is a stage and each one of us must play the part assigned to him by the All World Director." It was not long ago when I was a member of the Opposition Benches and used to criticise the budget in the self-same terms as they are doing today. Perhaps I was doing a bit better than they are doing. I used to call this Indian Finance Bill the Indian Fleecing Bill. I used to call this occasion as the occasion for Shradh for the departed glory of Mother India. I then belonged to the party, if I may say so, of irresponsible Oppositionists. By the word 'irresponsible' I do not want to convey any bad meaning. According to me, the word 'irresponsible' is a very respectable word. My idea of the word 'irresponsible' is this. When a person belongs to a party or parties which, under the constitution, can never hope to take upon himself or themselves the responsibility of administration, then he naturally becomes irresponsible because he can never hope to gain the responsibility. So, if they have got their grievance and if they make criticisms which show their grievances, I can understand them. I am not irritated at all. I can even go so far as to say that I can appreciate them. So, from that Party of "irresponsible opposition"—the word 'irresponsible' meaning what I defined just now—I have migrated to the Party or to the Bench of . . .

Mr. Sami Vencatachellam Chetty (Madras: Indian Commerce): Another set of irresponsible Members.

The Honourable Dr. N. B. Khare: I have migrated to the Bench, if I may say so, of irremovable executive, and I must play my part. Surely, if you attach any bad meaning to the word 'irresponsible', I will join issue with you, but if you give it the respected and the dignified meaning which I gave, then I will agree with you. We are not responsible in this sense that we are responsible to the Legislature. I frankly admit that we have been appointed by His Majesty the King and we have come here with open eyes knowing full well all the limitations under which we function. If we have done so, I do not see why my Honourable friends opposite should make a grievance of our action and blame us and curse us with all the invectives at their command.

We are functioning here under the Act of 1919, and if we are doing so on the promptings of our inner voice, I do not know why there should be any cause for our friends opposite to cavil at us or curse us. If I mistake not, the programme of my Honourable friends opposite is the programme as dictated by their bosses which asked them "to do or die". That phrase is now well known, every one knows it and remembers it. Sir, what do I find today? My Honourable friends opposite are dying on those comfortable cushions. This is joking. Jokes apart, if their inner voice prompted them to come back here after 1939 and

[Dr. N. B. Khare.]

occupy these Benches in utter disregard of the mandate given to them by their bosses, they are entitled to do so as the promptings of their inner voice. If our inner voice prompts us under the conditions in which we find our country to come here and do our bit according to our own lights, how are we guilty?

Mr. Sami Vencatachalam Chetty: Cheerio! Go on!

The Honourable Dr. N. B. Khare: The fact of the matter is that criticisms levelled at us are due in a sense to the feeling of frustration which has run riot in the whole country. I admit that. But if a searching analysis is made of the causes that led to it and the policy so far followed, I mean the political policy of my friends opposite coming from their bosses, one can easily say with relevancy that the sense of frustration from which they suffer is more or less due to causes which were the result of their own actions.

Sir, on 3rd September, 1939, the day on which war was declared, I happened to address a public meeting in Nagpur. I am an old Congressman myself, of course, of the protestant variety and I know all the resolutions against the war passed by the Congress. I was a party to them and yet on that day, 3rd September, 1939, I publicly declared that in spite of all our differences with Great Britain—and they are many, and we cannot forget them—we must try our best to do our utmost to take part in this war and do all we can to bring it to a victorious conclusion. I had said at that time that this war will be the gravest of all wars, that new techniques will be employed and India's frontiers, both on the north-west and north-east will be in danger. This was said on 3rd September, 1939. I openly said at that public meeting that in spite of all my previous reactions, it would be in the interest of India and it would be to the advantage of India to wholeheartedly support in the war efforts in spite of all our differences with Britain. We may square them out afterwards. I said so after giving my most anxious consideration to the situation as it then existed and I do not regret having said so. This has been my attitude, right or wrong, and it was prompted by my inner voice all along.

In spite of all that, in November 1939, the Ministries which were functioning in the Provinces were made to resign. As soon as the war was declared it was openly said by so many Congress bosses that although they passed resolutions of an anti-war character, and they were still there on paper, yet they said that in this war, "of what avail will freedom be to India, if France and England go down and if Westminster and Paris are bombed their heart will begin to bleed". They also said that from an international point of view, they must support this war. Sir, if there is anything like intellectual honesty, then those pronouncements should have been followed to the very letter. I do not want to go into all the details that transpired afterwards. They are public knowledge. I only say that that policy should have been followed in pursuance of intellectual honesty. But the Ministers were made to resign and then all sorts of things happened and ultimately the whole thing led to August 1942 affair. I was surprised to find the other day a speaker from the Benches opposite—I think that Honourable Member is not there now—laying the whole blame at the door of Mr. Amery for giving out this sabotage programme as the Congress programme.

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): He was probably meaning junior Mr. Amery.

Mr. Abdul Qaiyum: Probably a swadeshi one.

The Honourable Dr. N. B. Khare: He said the Secretary of State, as far as I remember. I do not know whether that was so or that was not so. But my Honourable friend made an admission that in pursuance of the declaration made by Mr. Amery, or alleged to have been made by Mr. Amery some Congressmen followed that programme. Now, Sir, is it not funny, is it not a strange thing that those who call themselves politicians are making that admission and swearing that those politicians took the cue or that they followed the programme dictated by their opponents or adversaries and yet call themselves wise? I say such an argument beats me absolutely. I am absolutely certain that if such be the politicians that want to rule the country, then woe unto the country. If I may say so, it will be the greatest misfortune to the country. Therefore the

result was that this bungling took place, these Himalayan blunders were committed, perhaps blunders taller or higher than Himalayas, people going into jail and coming out of jail. After all in spite of the direction they got not to attend this legislature, they have come here. I congratulate them for the strength of mind they have shown in disregarding the direction. I do not cavil at them. I am simply describing to the House the process through which they all went. I congratulate them on the fact that once in their lives, they have allowed their inner voice to prevail and not stifled it to the dictates of others, however high they may be.

Pandit Shambhudayal Misra (Central Provinces Hindi Divisions: Non-Muhammadan): But we did not cross the floor like you.

The Honourable Dr. N. B. Khare: Don't be peevish. When you were speaking we kept quiet.

Therefore, Sir, this frustration has engendered in the minds of my Honourable friends opposite, this policy of cynicism. They want to bite at everything. I do not cavil at them: I am sorry for them. The result was that they were indulging in the play of the season. The budget and the Finance Bill usually fall in the season of spring or the Holi festival; and, as all Indians know, it is an occasion for playing holi and gali (abuse). They indulge in abusing us to their hearts' content; we enjoy that abuse. They throw at us their "sainted" bouquets; I would give them in return scented bouquets. Their attitude can be described in the words of a Mahratta maxim: *Ashaktam durjam gandyam kurra*. The translation is, "A weak, wicked, defeatist and insolent policy". Now about the bouquets they have given us; they say we are traitors. I should like to ask them one question, with your permission. If they come here and sit in this House in utter disregard of the commands given to them and yet call themselves patriots of the first water, can we be called traitors if in the difficult circumstances which prevail in this country and the most unfortunate things happening here, we come here, with similar promptings of the inner voice, and try to do our duty to the best of our lights? Then they call us corrupt. I do not know if they refer to us individually or not, but I know that in every country in the world and in every Government some kind of corruption always prevails. And Government should try and are trying to combat it, check it and eradicate it. But may I ask them if a certain person defalcated a huge sum of money from the funds of the All-India Spinners' Association, there were lots of wailing and grouching and grumbling in the Papers from the highest quarters but the man's name was never disclosed and he was never handed over to the police. It is a fact and I can challenge any one to disprove it.

Then, Sir, when I was functioning as Premier of the Congress province of the C. P., I was thrown out because I could not tolerate corruption. When we are charged with corruption by such people it passes my comprehension how they can do it.

Then, Sir, it is said we are inefficient. For efficiency there is no yardstick; it depends on what we can and should do within our limitations. All I can say is that we are trying to do our best to do what we can. There is one special thing here. An Honourable friend opposite made a differentiation between the European Members of the expanded Council and the Indian Members. I was surprised to find him do so; but on second thought I thought he was keeping up the tradition of his bosses. As a member of the Congress I know that when the meetings of the Working Committee were held the Congress bosses used to welcome and treat with favour all the European journalists and the Indians were kept aside. Then my friend, Mr. Rajagopalachari, the *ex-Premier* of Madras used to announce . . .

Mr. Sami Vencatachalam Chetty: Sir, on a point of order, may I know how all these charges and incoherences are relevant? It is certainly not the Finance Bill of the Indian Congress which is before the House.

Mr. Deputy President (Mr. Akhil Chandra Datta): Apart from strict relevancy, unfortunately this thing has been going on.

The Honourable Dr. N. B. Khare: A Daniel come to judgment!

[Dr. N. B. Khare.]

Sir, Mr. Rajagopalachari used to say publicly that the European members of the I.C.S. were their crotons to be tended, nurtured and well looked after and kept in the shade and the Indian members were shrubs who can go anywhere. So, my Honourable friend is following the tradition laid down by his bosses; I am glad he is doing it.

Then, Sir, the Congress people never hate anybody; they love everybody, they love me and every one else. Theirs is an all-pervading love. But their love is of two kinds; one is the rose-petal variety, the other is the flint variety. They shower the rose-petal variety on my European Colleagues here and the flint variety on poor Indian devils like me.

An Honourable Member: You have got a rose in your button-hole.

The Honourable Dr. N. B. Khare: That is not given by you; it is my own.

Sir, in spite of all that they say it is a fact that they have always got a negative policy, and while the country is burning they are spinning. We have got a positive policy and we want to do whatever constructive work we can. We may fail or succeed; judge us by our action. You must remember that on account of the war efforts which have since developed and the action of the Government of India, this country which was a debtor country has now become or is becoming fast a creditor country. No one can deny that, not even they. Besides that, on account of the war and the policy followed by this inefficient Government, the country has made great progress in industrial development. There is a Paper in Calcutta called the *Lokamanyu* which is a premier daily and weekly with nationalistic views. It has sent me a letter from which I will read four or five lines. I do not give a certificate to myself but this is what they say:

"We have noticed the tremendous industrial progress of India since the outbreak of the present war and as such we have thought it proper to bring out a special issue in the first week of April next entitled 'War and Industries'."

It is not on the 1st April but in the first week of April!

Besides that, the country has been militarised. You are, of course, entitled to say that it is not a voluntary but a mercenary army. That is a matter of opinion. But the fact remains that this country which did not know anything about war, which was on account of political and other circumstances deprived of all knowledge about war, has been perforce militarised with more than two million people knowing how to bear arms and trained in all sorts of modern warfare. No one can deny its significance. After all the cry for Swaraj is useless unless you know how to defend your own country. Then, Sir, this war has necessitated the giving of technical training to about two lakhs of Indian youth, which will be of use in the post-war period. That knowledge will not be lost. I will not go very much into details; brevity is the soul of wit. Besides that, there has been an expansion of markets and we are trying our best to go from poverty to prosperity. We may succeed or fail; judge us by that.

Sir, my friends have been described as high-minded and men of great capacity. I have no doubt at all about their capacity, but they should not be satisfied by merely being described as high-minded. They must show that they are high-minded. When their *Raj* comes it will be called *Ram-Raj*. I may remind them of the behaviour of Rama with his brother Bharata. The story goes that when Rama had to go into the wilderness for 14 years to fulfil a high purpose, naturally his younger brother Bharata had to administer the country during his absence. He did so, much against his own will; with great reluctance he had to do it. After fourteen years of exile when Rama came back and became the King of Ayudhya he did not hate his brother who ruled the country in his absence; he loved him. We are Indians—you are elder brothers and we are your younger brothers—and we are administering the country in your absence. Why do you hate us? You should behave like Rama if you want *Ram Raj*. Don't curse us. In spite of all that we are told that cheap gibes do not cut much ice. May I also say in retort the same thing that their cheap gibes do not cut much ice, nor can the silvery siren voice be a substitute for logic.

Then, Sir, they say that they are not afraid of suffering. I honour them for that. After all, nothing can be gained in this world without suffering; I grant that. But, Sir, why so many applications for release, parole, for preferment,

for A class, B class, this and that. And then they are going to oppose this Finance Bill. Why? If these applications are to be dealt with properly by the Government, there must be a Government to function with the necessary finances. Therefore, I say what is the good of throwing out this Finance Bill.

There are some people who likened us to *chaprasi*. I am not surprised because some Honourable Members from that side always ask questions about *chaprasi* and *chowkidars*. They are always obsessed with the ideas of *chaprasi*, and therefore I am not surprised. I can tell them this once and for all; that you own a house and you have got a *chaprasi* also as your servant. If the house is in danger of being attacked and if you desert it and go away sulking and spinning and do not defend it and if the *chaprasi* defends it in your absence, who is more honourable?—*chaprasi* or yourself?

An Honourable Member: All honour to you.

The Honourable Dr. N. B. Khare: Then, Sir, there are some people who want a division of the country into separate independent States and also they want a paramount power functioning at the Centre to protect them both against one another and against any outside aggression. If it is their desire, or demand, or ideal, then why should this Finance Bill be thrown out? It is exactly what they want.

Nawabzada Muhammad Liaquat Ali Khan: Who are those people?

The Honourable Dr. N. B. Khare: You can imagine yourself; anybody may wear the cap if it fits him.

Nawabzada Muhammad Liaquat Ali Khan: I cannot imagine that there are any idiots like that.

Mr. Jamnadas M. Mehta: Read the report of the *News Chronicle* interview of your leader.

Nawabzada Muhammad Liaquat Ali Khan: Try and have some intelligence.

The Honourable Dr. N. B. Khare: In his speech yesterday my Honourable friend from the Muslim League Party said something about Haj. I am concerned with that and I can assure him that I shall do all I can to facilitate arrangements for Haj.

An Honourable Member: But there is no time left.

The Honourable Dr. N. B. Khare: The next Haj is to be observed on or about the 28th of November and it is too early to say now what conditions would be like during the next season, but I want to assure the Honourable Member that the Government will spare no pains to facilitate the next Haj pilgrimage. I have also appointed a Pilgrimage Officer—of course the job is temporary, but I soon hope to make it permanent—and I have noted all the grievances that have been expressed yesterday. I will do my best.

Mr. Abdul Qayyum: Will you go and perform Haj yourself?

The Honourable Dr. N. B. Khare: Sir, I have nothing more to say except a few words about South Africa. We are trying to do our best within the limitations. In this connection I will quote a well-seasoned politician, who is no less a person than Mr. Chamberlain himself—the late Prime Minister of England. In one of his speeches he said:

"There is no subject which is calculated to arouse ill-feeling in any country more than the statement about ill-treatment of the people of their own race in another country. That is a subject which provides the most inflammable of all materials—materials most likely to cause a general conflagration."

Sir, I agree with Mr. Chamberlain in this matter and I hope that responsible world politicians will ponder over these wise words and take the necessary lesson.

Mr. T. Chapman-Mortimer: Mr. Deputy President, after listening to the brilliant speech from the Government Benches, I find it a little difficult to come back to the more mundane subjects with which this Finance Bill deals. Unfortunately, it must be done and there are a number of aspects emerging from this Bill with which I should like to deal. Before the Honourable the Finance Member introduced in this House the Finance Bill in which he has embodied his Budget proposals for 1944-45, there had been a general expectation throughout the country that a very heavy additional burden of taxation would be

[Mr. T. Chapman-Mortimer.]

imposed. Well, Sir, these expectations have proved correct. A heavy additional burden, of no less than 23½ crores is imposed under this Finance Bill and some classes of taxpayers will be affected—some more and some less. Some of these will be people who hitherto have not suffered from taxation. Others will be those who are already enduring a heavy burden. But speaking generally, I think it is fair to say that the Honourable the Finance Member sprang a surprise on the country, and in particular on the market; and the burden he has sought to lay upon us is one which has been imposed on the shoulders of those best able to bear it. Those who have seen and read the reports of the various financial journals and the financial columns of the daily press, will I feel sure agree with the view of *Indian Finance*, that “despite the additional tax burden, there has been a general feeling of relief”. That, Sir, I am sure is the view of a very large number of people in this country. They had been expecting a very much heavier burden than has been imposed and there is undoubtedly a general feeling of relief that the burden has not been worse. Nevertheless, this Budget and this Finance Bill are being heavily criticised and attacked from two main points of view. First of all it is alleged that the new proposals will bear heavily on the poor. Secondly, it has been alleged from certain quarters that a crushing burden has been imposed upon industry.

Now, Sir, I shall deal very briefly with the first of these criticisms. It relates, of course, to the indirect taxation imposed in this Bill, in clause 4. I cannot agree with those who think that a heavy burden has been imposed by the provisions of clause 4. The argument that those who have to pay a tax on betel-nut and spirits, and tobacco, cigarettes and cigars are suffering an undue burden is one that cannot be sustained for one moment. Now, Sir, I should like at this point to refer very briefly to a matter on which I shall have more to say later on. There is no doubt whatever that the poor in this country today are suffering terribly and I am, therefore, sorry to hear my Honourable friend, Mrs. Subbarayan say that we on these Benches have no regard for the hardships of the poor, and that we are quite prepared to see new burdens imposed on their shoulders so long as we ourselves get off. That is, I suggest, a very unfair charge. It is not true. Throughout this war we have consistently supported Government in the imposition of heavy taxes which have hit, and are still hitting, our community very hard. Nevertheless, as I have said, the question of the position of the poor is one that we have to consider and one that I shall deal with later, when I talk about inflation.

The poorer classes on the whole do not smoke tobacco, cigars, cigarettes and so on. Still less do they drink. Very few take spirits that are subject to this new taxation. Very few of the poor,—that I have ever seen in my part of the world at all events,—are going to suffer from the increase from 1/5 to 1/2 in the duty on spirits, tobacco and so on. Moreover, among these few who do, are a certain class, namely, the clerical class and the lower middle class who have been benefited by the provision in this Budget that instead of levying income-tax at the rate of Rs. 1,500 it will not be levied until a man's income reaches Rs. 2,000. Now, Sir, I should like to deal very briefly with a few points of detail in clause 4. Clause 4 2(a) seeks to impose an additional duty on item 22(5) of the Tariff Schedule. This item deals with drugs and medicines. I am perfectly sure,—at least I hope I am sure,—that it was not the intention of the Government to impose a further duty and burden on drugs and medicines. It, of course, does not affect all drugs and medicines. It affects only a certain very expensive class of drugs and medicines into which spirits enter. Now, Sir, I do not know whether anything can be done at a later stage to remedy this provision in the Bill. If the Bill is thrown out, as I know some Honourable Members propose to do, then it is going to be difficult for Government to make this modification which I believe should be made. Not very long ago, the Drug Control Order was introduced, and it is largely because of the operation of that order that I am asking Government to consider now the omission of sub-items b (i) and (ii) from item 22(5).

When the Drug Control Order was brought in it was followed by the publication of the agreement between the trade and Government with regard to prices. This has run into thousands and thousands of copies, quite apart, of course, from the tens of thousands of people who have received orders that they must sell these drugs at special prices. It is quite true that when Government bring in a measure of this kind, imposing a further duty on spirit, it is difficult to make exceptions. At the same time, Sir, I believe that on two grounds there is a case here for the Honourable the Finance Member giving favourable hearing to the plea I now put forward, which is that items b (i) and (ii) should be omitted from the effect of the increased surcharge. If it is left in, the administrative difficulties will be considerable; many of the items on the existing schedules will have to be revised and called in and many wholesalers and retailers throughout the country will find that the price at which they were to sell these drugs, has been suddenly altered as a result of this measure. It would not matter so much if the Drug Control Order had been issued a long time ago. In point of fact it was only issued as recently as the 8th February or later. The schedules to which I refer were only issued as recently as the 8th February. I should like, Sir, to suggest on behalf of this Group that the Honourable the Finance Member considers whether anything can be done in this connection.

Now, Sir, in clause 6 of the Bill I want to deal with another point of detail, though again an important one. In clause 6 provision was made to give certain concessions to Life Insurance companies. The Life Insurance companies have been trying to obtain this concession from Government for some considerable time past. They have pointed out that in the United Kingdom a ceiling was placed on the upper limit of the income-tax burden on the investments of Life Companies, and they ask that a similar ceiling should be imposed in this country. I am sure that life insurers throughout the country are grateful to Government for their action in this matter, and I know also that it will be for the benefit of those thousands of insured who benefit from life insurance. There is one further point not connected with life insurance but connected with war risk insurance, to which I should like to refer at this stage. I should like to supplement the plea of the Honourable Member who represents the Millowners' Association of Bombay and express the hope that Government will see their way at a very early date to make drastic reductions in the rate of war risk insurance.

Now, I come to the most important provisions in this Finance Bill—I refer to the proposals dealing with income-tax and excess profits tax. It is very difficult to discuss the precise effect of any income-tax taxation, because this is not only a highly technical matter, but it is one that requires a very high degree of knowledge of finance, considerable knowledge of accountancy and to some extent of law. We were reminded the other day in this House by my Honourable friend, Mr. Krishnamachari, who is not now here, that really very few of us were competent to talk about this weighty matter. He is quite right. Very few of us are; and naturally I should hesitate to use any figures but those supplied by some of the best experts in the country, men who really are men of affairs in the world of finance and accountancy. I propose therefore to examine from this point of view some of the figures which have been placed in the hands of Honourable Members of this House.

The first thing that strikes me about this statement is that it leaves the impression on the mind of the casual reader that the unfortunate shareholder in the company concerned is getting no better off. The more profits the company makes, it does not make any difference whatever to this unfortunate shareholder! The second broad impression that you gain from this statement is that those who prepared it do not seem to think that there is anything wrong in showing a company with a standard profit of 3 lakhs which has increased its profit as a result of war conditions by no less than 600 per cent. It seems to me an extraordinary thing that men who are trying to represent the Government's rapacity should take, as a matter of course, figures that show these

[Mr. T. Chapman-Mortimer.]

fantastic profits which are being made out of the sufferings of the people of this country and incidentally out of His Majesty's Government and other Allied Governments. So much for the general impression that you get when you take up this statement.

Now, I should like to examine it from two, more detailed, points of view. First of all, let me take the point of view of the individual shareholder. The individual shareholder, who is unfortunate enough to have shares in this company in the standard period 1939-40 was left with—I am assuming, of course, for the sake of argument, that all the profits shown here are distributed—he is left with a bare Rs. 2,34,375 out of a standard profit of Rs. 3 lakhs. That is to say, after taxation had been taken off, that was all that remained for him. In the case of the first example they have given, the profits have risen from the standard profit of Rs. 3 lakhs to a profit of Rs. 5 lakhs, and in such a case, according to a casual glance, he is left with only Rs. 1,78,000. So, as we go on, in every case that is the figure that appears to be left to this unfortunate shareholder. I have been making a little research into this statement, and I find that there are a number of factors in it that have been omitted, and they are all-important factors in trying to arrive at a correct conclusion. Taking, first of all, this figure of Rs. 1,78,000, which is all that is left for distribution, I find that when grossed up by adding in the income-tax and surcharge on income-tax,—and it comes into the hands of the individual shareholder so grossed up—it is almost the same thing as the amount left for distribution in the standard period. In the standard period the amount remaining is Rs. 2,81,250, and in the chargeable accounting period in which the company has a profit of Rs. 5 lakhs, the figure is Rs. 2,81,240, that is, Rs. 10 is the difference between those two figures I have given. I do not propose to waste the time of the House by quoting a lot of figures, nothing is more dreary. I only quoted that one illustration to show how hopelessly misleading any statement of this kind can be. I find that on every single quoted figure of profits from Rs. 5 lakhs to Rs. 18 lakhs the actual amount which each shareholder would get,—assuming that the whole amount was distributed,—would, in fact, be much higher than he would have received in the standard period.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): I am afraid your mathematics is very wrong.

Mr. T. Chapman-Mortimer: My mathematics is quite right. That is why I say, *assuming* everything was distributed. My Honourable friend has just interrupted me and I should like to take the opportunity to thank him for doing so; because it enables me to explain again how very, very difficult it is to talk about any taxation matter in general terms. It is extremely difficult. You have to take the exact case before you, with all the relevant circumstances and all relevant figures. Without the exact figures, all relevant circumstances and so on, it is absolutely impossible to arrive at correct figures. I am grateful to my Honourable friend for giving me an opportunity to say that; for that is one of the very great difficulties we ordinary mortals suffer from in dealing with experts in a matter of taxation. The expert knows in his mind the precise details of certain cases, and he can come up and argue with us about these cases. We have to judge the taxation proposals of the Honourable the Finance Member in general terms. We have to consider what the general effect would be in certain different classes of industry and see whether in our opinion he has acted justly or otherwise.

In this statement from which I have just been quoting,—to that is attached an explanatory note,—it is quite clear from the explanatory notes that it is intended that these illustrative figures should relate to some industrial concerns. That is another complication that comes in, in all matters relating to taxation—certain taxes imposed at a certain time and in a certain manner will bear differently on different classes of assessee. Some will be hardly hit, and we know that in this case there are people who will be hardly hit. Others benefit,

some in greater degree, some in less degree. For that reason, I propose to take the example of a company which is engaged in industry and in this case the company, A. B. and Co. Ltd. had in the standard period capital employed of 18 lakhs. Now, Sir, at this stage, I would again draw the attention of the House to this green slip from which I have been quoting. They make no reference in this green slip to the question of "capital", though it has a vitally important bearing on the tax proposals of the Honourable the Finance Member. That has been omitted. No reference is made to that. (An Honourable Member: "What is this green slip?") It comes from the Federation of Indian Chambers.

The Honourable Sir Jeremy Raisman: They, carefully have not sent me one.

Mr. T. Chapman-Mortimer: I take the case of a company with 18 lakhs capital and no borrowed money. In its standard period, this company's profit was 1,80,000 and in the chargeable accounting period,—that is to say, the period in which the tax will apply,—ending the 31st December 1943, the position of this company was as follows: Capital employed apart from borrowed money 20 lakhs, borrowed money 5 lakhs, total capital employed for the purposes of E. P. T. calculation 25 lakhs. The increase of capital in the chargeable accounting period over capital employed in the standard period therefore equals 7 lakhs. Now, Sir, in such a case—and this is very important to any Honourable Member who has received this green statement from which I have been reading—E. P. T. will not be payable unless in respect of the chargeable accounting period ended the 31st December 1943 the profit plus the interest on the borrowed money exceeds Rs. 2,36,000.

Now, Sir, I just told the House that in the standard period this company had a profit of Rs. 1,80,000. In other words, apparently, its standard profit is Rs. 1,80,000. Actually as I have shown the House from the example I have just mentioned, the standard profit was not Rs. 1,80,000 but Rs. 2,36,000. Already Rs. 56,000 has been added on before they begin to calculate how excess profit is to be arrived at.

Now, Sir, I have taken the case of an industrial company. In the case of a registered firm, as apart from a company, the benefit would have been not Rs. 56,000 but Rs. 70,000 and in the case of an unregistered firm also Rs. 70,000. Now, I dealt with that from the point of view of the shareholder but not fully. There is one further aspect that we have to consider. In so far as that company has been compelled to pay back or to pay over to Government for safe keeping till the end of the war period a certain sum of money, being the shareholders' property, the shares of this company have been safeguarded to that extent and that money is still there. Now, that is a very important point that we ought to bear in mind, because we shall shortly be told that many companies will have to reduce their dividends. That is perfectly true. Companies that have been paying larger dividends in the last few years than they paid in their standard period may, in some cases,—not all,—have to reduce their dividends. But when we are told by these unfortunate people—Look at us and sympathise! Look at our dividends! They are less than they were—we must remember to tell them that their asset—their share—in that company has improved and is being safeguarded for their benefit afterwards. In fact, shareholders should be grateful to the Honourable the Finance Member for what he has done, because by his action a lot of companies have been saved, which might otherwise have found themselves in difficulty because their directors paid away too much money in the boom period and they would find themselves in queer straits when the day of reckoning came afterwards. Now, that is the point of view of the shareholder in an industrial company. I say again an industrial company, because at the risk of repetition I must remind Honourable Members that there are hard cases that are going to arise out of these new tax proposals.

Now, Sir, I come to the case of the company itself. In their case, the one I have quoted, they have first of all Rs. 39,594 E. P. T. deposit. In addition

1496

LEGISLATIVE ASSEMBLY

[23RD MAR. 1944]

[Mr. T. Chapman-Mortimer.]

to that, they are going to recover from the Government something like Rs. 13,000 which the Government will in due course have to repay when they make their refund under the E. P. T. Act, after the war. In other words the company's cash is being built up and when the war is over and the excess profits tax ends, this company will be able to claim from Government not only its deposit which is lying there earning 2 per cent. but in addition they will receive from the Government Rs. 6½ out of every Rs. 66½ of tax—that is to say, one-tenth of what they paid by way of excess profits tax will have to be repaid to that company by Government.

I have dealt with the case of an industrial concern but in the case of a non-industrial concern which is a trading concern the benefit will be greater still, because they will have enormous sums of cash coming on to them, and remember that the trading companies—all those who have made by far the greatest profits in this war—they are going to have even larger sums of cash coming back to them after the war.

The third class of company is the investment company and, of course, also you have certain kinds of assessee who, without being companies, are affected adversely by the new proposals. I hope that the Honourable the Finance Member is going to have regard to these difficult cases and I hope very much it may be possible for him to make some modification in his existing proposals.

I should like to quote one or two cases of profits but before I do that I should like to quote from the circular issued by a firm of Stock and Share Brokers (in which they bring out precisely the point that I have tried to explain to the House) in which they say that "after taking into account the working capital, accumulated reserves during the last years and other things, the standard will have gone up by at least 14 lakhs—from 28 to 42 lakhs". That, Sir, is from a really authoritative source, a firm of stock brokers who certainly understand the effect that these proposals will have on the companies whose shares they deal in.

Sir Cowasjee Jehangir: What is the name of the stock broker?

Mr. T. Chapman-Mortimer: The name is Chimanlal Dalal and Co. Before I pass on, I should like to quote one or two cases of the profits made by companies, in these recent years.

[At this stage, Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

In one case profits made in 1941 amounted to Rs. 5,29,000; in 1943 these were 7 lakhs. (An Honourable Member: "What was the capital?") I am sorry I have not got the capital. In another case the profit in 1940 was Rs. 1,28,000, before taking tax into account; the dividend paid was 7 per cent. In 1943 the profit was Rs. 40,24,000 and the dividend paid had risen from 7 per cent. to 30 per cent. Finally, I come to a cotton mill where in 1939 the dividend was 50 per cent. and in 1943 the dividend was 120 per cent. This company was still able to pay 120 per cent., after paying no less than Rs. 225 lakhs over to the Government and having in addition Rs. 36 lakhs by way of deposit. They do not seem to do too badly. I, therefore, suggest that there is no basis for the allegation that the Finance Member is seeking to crush Indian industries. On the contrary, it can very well be argued that he is trying to save Indian industry from a repetition of what happened at the end of the last world war. Recently, I received a letter from Calcutta in which the point was made that this budget so far from being crushing to industry would definitely help to stabilise investment and, as we have seen, the stock exchange quotations have all been either steady or higher in recent weeks. Indeed, 18 days after this "crushing" burden was imposed on the industry of the country, we find that the stock exchange both in Bombay and in Calcutta has been decidedly firm. It is quite true, of course, that the volume of business is very much reduced; but for that we have to thank the Finance Member and not the stock exchange.

because a state of affairs had been reached in Calcutta and also in Bombay in which scandalous speculation was taking place in stocks and shares.

Now, Sir, before I pass on to say a few words about inflation, I should like to deal with one or two more sentences of this note to which I referred earlier in my speech. It says:

"Now under the Finance Member's proposals, it would be impossible for a concern to add to its productive capacity—which is really what is represented by its capital account—except with the scanty funds representing in very favourable circumstances 80 per cent. of the pre-war level of dividends."

Well, Sir, all I can say is that if Honourable Members are likely to be misled by this sort of thing, I can only refer them to *Commerce*, which is one of the most prominent and best financial papers of the country where they will get a very different impression of the effect of this Bill.

Sir Cowasjee Jehangir: Are you referring to the *Commerce* of Bombay?

Mr. T. Chapman-Mortimer: Yes. I naturally go to Bombay because in these financial matters we know they are experts. We know they are worth about ten times more than anybody else! We think in lakhs but they think in crores! Another interesting feature of this argument which is put by certain interested parties is that by some curious process the Finance Member is actually able to ruin a man who is making excess profits! How that arises is more than I can understand. But all I can say is that he is either something unique in the way of a Finance Member or he is a bit of a communist in disguise, because it is quite fantastic to suppose that except in a very few and limited number of cases, where special extraneous circumstances enter into the calculations, any such thing could possibly happen.

Now, Sir, I come back to the comment made earlier this afternoon by my Honourable friend, Mrs. Subbarayan. She referred to the desperate state of Bengal and she suggested, if I heard her correctly, that we, the Europeans, were not at all perturbed by these dreadful things that were happening in that unhappy province.

Shrimati K. Radha Bai Subbarayan: On a point of personal explanation, Sir. I said they did not seem to be perturbed by what was happening.

Mr. T. Chapman-Mortimer: I am glad to have the correction from the Honourable Member and I thank her very much for making it. She is quite right that we must seem to be unperturbed and I do not believe you would believe us if we did! If I went round saying how sorry I was for the people of Bengal, you (I mean the members of the Congress Party) would be the first to say that I was shedding crocodile tears. But as one who comes from Bengal and who has seen the miseries through which the people of that province have gone, I cannot refrain on this occasion from making a reference to it. It is the most appalling catastrophe that could possibly have happened and so far from being complacent about it, I am perfectly certain that it is true to say that every thinking European who comes from Bengal is distressed beyond measure by what he sees around him and he boils with indignation to think that some of the things, I am going to refer to in a moment, are allowed to continue by this Government here. ("Hear, Hear" from Congress Benches.) You may say 'Hear, hear' now, but you may not be able to say that later on.

We all know that there has been inflation in this country to a most appalling extent and the result of that has been seriously to hurt not only the poor but all those on fixed incomes, especially the large class of pensioners throughout this country. And I should like to know what action, if any, Government can take for some of these pensioners. I know they have been trying to do something but I should like to feel that they were going to do more. At the same time, I am fully conscious of the fact that merely to help Government pensioners and some of the lower paid ranks of Government servants is not going to help the millions of others who are suffering just as much as they are suffering. And for that reason what is necessary is that this Government should take more active steps to combat inflation.

[Mr. T. Chapman-Mortimer.]

Now, Sir, inflation can arise in two main ways. One is where the Government pursues unsound financial policies, has unbalanced budgets, and so on. Now, in this country that kind of inflation has not operated and it is absolutely untrue to suggest that the financial policy of the Government is the cause of inflation in India today. Nor is it true to suggest that sterling balances have caused inflation. They have, of course, a bearing on inflation. I appreciate that entirely. We have here the words of no less a person than the Governor of the Reserve Bank who points out:

"There is no natural or necessary relation between the growth of foreign assets and internal expansion or monetary inflation and the link between the two phenomena is optional."

Now, Sir, these are very significant words coming from the source that they do. They show at once how utterly untrue and how completely incorrect it is to suggest that the inflation in this country is the result of the financial policy of the Government of India. But inflation can be caused not only by the operation of Government but by the operation of markets and on that I shall have a word or two to say. The Honourable Mrs. Subbarayan referred a little while ago to the drawing of a *purdah*, to shelter or 'cloak' or hide certain other activities. Now, it is a very curious thing that at the very moment when inflationary tendencies set in, in the markets of this country, such a *purdah* was drawn over the scene by certain persons in this country. I do not say who they are. They all know who they are. Sir, these persons caused political agitation. They upset the railway system; they upset the telegraph system; they threw the whole country into turmoil and behind all that turmoil, the inflationary process was going on at an ever increasing pace and this was being brought about by the most scandalous activities of certain parties. When trade for money proportionately exceeds the increase in production then we get circumstances in which inflation may very quickly set in. Now, Sir, what happened? In 1942, we had mills that went on strike—so-called strikes—for no less than four months. That at once slowed down production.

Sir Gowaṣṛee Jehangir: Where was it?

Mr. T. Chapman-Mortimer: In Ahmedabad. For four months the Ahmedabad mill owners, who are never tired of talking of their love for the poor, went on strike and so deliberately created a tremendous shortage of piecegoods in this country. Not only did they do that, but they railed several hundred million yards of piecegoods into Indian States in order thereby again to accentuate this shortage. Now, Sir, I consider that men who do that sort of thing should be condemned and dealt with. I also consider that Honourable Members sitting on the Front Bench are responsible too; because when I see a thief making away with my treasure, I expect the policeman to come and help me if he can. In this connection I should like to say that there is a tendency in all countries and at all times to think that inflation is a matter that only Finance Members and the Chancellors of the Exchequer can deal with. This is not correct. If some of the other things, I am going to talk about in a moment are in fact really happening, then the action to be taken is not financial action but action by one or other of the Honourable Colleagues of the Finance Member. Now, Sir, merchants and industrialists very quickly realised the truth of the old economic maxim that when trade is very active, the demand very brisk, and prices are tending to rise, if you sit on your stocks and do not sell, then the prices rise faster still. That is a very old economic principle which I am sure will be confirmed by the Honourable the Finance Member. As I have indicated the Ahmedabad mill owners—and they were not by any means the only people who were concerned in this matter—took steps to see either that goods were withheld from the market or that goods accumulated in their own godowns and in their agents' godowns all over the country. It is natural that in these circumstances there should have been a tremendous and unprecedented rise in the price of all essential commodities in this country. It is absolutely incorrect to say that that steep and precipitous rise was due to the operations of the financial policy of Government and in

particular to the rise of sterling balances. However, Sir, as I have said, the sterling balances naturally have some bearing on this matter because obviously the more they were there in amount, naturally the Bank could advance further sums to those who were making a demand upon it. So, Sir, there is an indirect relation; but to suggest that the sterling balances are the cause of this inflation in, e.g., piece goods prices and other prices, is absolute nonsense.

Now, Sir, another tendency of traders and industrialists, when prices are rising and especially when there is a war on, is to overtrade and especially to overtrade with the assistance of borrowed money. Then you get rings of traders who combine and agree that certain markets will be ear-marked for their own friends and other markets for others and so on. All working together on the same principle, they can very quickly create precisely these inflationary tendencies that we have seen in the last eighteen months in this country. Speculation in commodities is another type of activity which has a very great bearing on inflation and, above all, speculation in bullion. Now, Sir, it is very easy, if the market consists of only small number of people, for that small number of people to arrange sales among themselves and push the price up and up and up, and that, Sir, is done. I do not say that the bullion merchants do it. I do not make any suggestions of that sort. But it is done and has been done in different markets, at different times, not only in this country but elsewhere. I think it is probably true to say that this speculation in bullion, shares and commodities has been as much responsible as any other single factor for inflation in this country. On the stock exchange, when you get very great activity and a boom in share prices, every kind of opportunity is used to give the markets another upward push. The rumour goes round that Smith and Co., Ltd., are going to issue bonus shares, naturally the shares of Smith and Co., are much in demand. Now, Sir, the issue of bonus shares in itself is, of course, not inflation, but when it gives rise to marked speculation, it leads to an inflationary tendency. The floatation of new companies: here again, inflation and inflationary tendencies may be accentuated. Now, Sir, on this point, I should like to make myself quite clear so that there may be no misunderstanding in the minds of any Honourable Members opposite, and that point which I wish to make is this. If at this time you have a new company which is an industrial company and which is going to increase the production of the country, that is a good thing because to the extent that that industrial company makes more of the particular class of goods, it is designed to make, it does not in any way effect any inflationary trend. But if it is not an industrial company and if it is a company simply floated to enable me to transfer to a company what, in fact, is a Department of my firm, that done in the case of hundreds of people, tends to cause inflation. Now, Sir, the tendency to accentuate the inflationary trend which such company floatations bring about is most marked in the case of certain types of investment companies. In this connection, I should like to tell the House about some of the things that go on in Calcutta. We have examples there of people who, knowing that certain classes of assets were excluded from the computation of their "capital employed" for the purposes of E.P.T. calculations deliberately got together with, say, a dozen other people and they took over from their different companies these shares—their "excluded assets"—and they transferred them to a new investment company. By doing that, they placed in their own pockets through these various companies, a lot of cash and with that cash they themselves or their companies bought commodities or other things; they did many other things too, which perhaps I should not mention—they are too bad to talk about; some of the things which go on in Calcutta today are too bad to mention even in this House.

Nawabzada Muhammad Liaquat Ali Khan: If they are not unparliamentary the Honourable Member can mention them to the House.

Mr. T. Chapman Mortimer: It makes me ashamed to narrate them in this House. Supposing there is a firm called Smith Brown and Co., or Banerjee Chatterjee and Co., whatever couple of names you have for a firm, and they find that their profits are getting very near the level at which Excess Profits Tax becomes payable. (Naturally that is a most painful thing, because you see

LEGISLATIVE ASSEMBLY

Friday, 24th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS.

(a) ORAL ANSWERS

WORKING OF EXTRA DEPARTMENTAL SUB-POST OFFICES.

607. *Qazi Muhammad Ahmad Kazmi: (a) Will the Secretary for Posts and Air please state whether it is a fact that prior to 1930 Extra Departmental Branch Offices used to be opened in villages only and the Extra Departmental Postmasters were required to work for one or two hours only?

(b) Is it a fact that the persons in charge of these Extra Departmental Branch Offices were either school teachers or cattle pound keepers, etc., whose main source of living was income derived from sources other than Post Offices?

(c) Is it a fact that from 1930, the scheme of Extra Departmental Sub-Offices was started in towns and cities also, and at some places Departmental Sub-Offices were substituted by Extra Departmental Sub-Offices with a view to reduce the expenses of the Department?

(d) Is it a fact that Extra Departmental Sub Offices in towns and cities were to be kept open from 10 A.M. to 5 P.M. like the regular Departmental Sub Offices?

(e) Is it a fact that the work of Extra Departmental Sub-Offices has throughout been found to be quite satisfactory?

Sir Gurnath Bewoor: (a) No.

(b) and (c). Yes.

(d) Yes, but not in all cases.

(e) On the whole, it is generally satisfactory. Where it is not, steps are being taken, either to change the Agent or to convert the office into a Departmental office.

PAY, ETC., OF SUB-POSTMASTERS.

608. *Qazi Muhammad Ahmad Kazmi: (a) Will the Secretary for Posts and Air please state whether it is a fact that the Departmental Sub-Postmasters get salaries up to Rs. 145 per mensem, Rs. 6 per mensem for house-rent, and Rs. 2 per mensem as contingency allowance for stationery, etc., while the Extra Departmental Postmasters get a total sum of Rs. 20 per mensem for all these items?

(b) Is it a fact that in the United Provinces during the period 1930 to 1937 about 40 per cent. of the Departmental Branch Offices were converted into Extra Departmental Branch Offices; if not, what was the extent of the change?

(c) Is it a fact that during 1930—33 the Circle Officers sent a circular to the effect that Extra Departmental Sub Postmasters shall remain under training for a period of five years during which they would be getting only Rs. 20 per mensem?

(d) Is it a fact that the circular was taken to mean that these persons would be later on engaged as lower grade clerks in post offices?

(e) Is it a fact that a large number of young persons below the age of 25 years joined the service of Extra Departmental Post Offices during this period, and have since then been working mostly to the satisfaction of the Department?

(f) Is it a fact that in spite of their duties which in their nature, duration and responsibility are no less than those of the Departmental Sub-Postmasters, they have not been allowed any increment in their allowances, no dearness allowance and even no other relief against the rise of prices?

Sir Gurnath Bewoor: (a) The facts are not as stated by the Honourable Member. The pay and contingency allowances of Departmental Sub-Post-

[Mr. T. Chapman-Mortimer.]

if we pay E.P.T., we should be helping this satanic Government! And incidentally we should not be able to charge quite so much to the poor people who buy our goods! What does this firm do? They dissolve their partnership and the assets of the partnership are transferred to A and B plus C, who is, of course, a "different" person. Therefore though C may have some relation to A and B, yet when A, B and C enter into partnership, it is not, of course, the same partnership as before even though A and B are really the same as Smith and Brown. And when that is done in some of the very clever ways in which it is being done, it is impossible for the revenue department to find out, because the whole thing is done so cleverly and in all manner of ways through intermediaries that it makes it hopeless for the tax department to find out what is going on. And, Sir, if I may interpolate here, it is not their job to do that. A great deal of trouble has come to the Central Board of Revenue and, of course to their officers,—senior and junior alike,—by reason of these malpractices that go on today. And it is not their function to spend all their time finding out about these new firms and companies; that is the job of other departments of Government. And it is up to these other departments to see that in their respective spheres the administration is such that that kind of thing is not allowed. If they were to tighten up the provisions relating to this class of business,—it is hardly fair to call it business because they are not honest business people at all but unscrupulous people,—the task of my Honourable friend, Sir John Sheehy, and his colleagues would be enormously lightened and relieved. I commend that suggestion to the department of Government concerned. The honest taxpayer, as my Leader has just pointed out, would be no less glad that these sharks should be caught. You may think that I am drawing on my imagination but I assure you that not very long ago I travelled from Calcutta to Delhi with a young man who in front of me with three other persons also present described just such transactions. And then he turned to me and said, "Of course, I suppose you are also doing the same thing?" I said "No, I do not", and what is more, I said, if I were the Government of India he and hundreds like him would be in jail and if necessary,—because the jails are already so full,—I would let out some four or five Congressmen and put them all in. Of this little party all were Indians except myself. One was from the Punjab, a young officer who had been fighting in the Middle East and invalided back on leave. He turned round to the young Marwari gentleman and said, "I entirely agree with the gentleman who has just told you what he thought should be done to you." So it was not only my feelings in this matter. There was a diamond merchant in the upper berth and his eyes were nearly popping out of his head at this series of fantastic stories about dodging E.P.T. Why do I say "dodging E.P.T."? Because when he got the contracts he got them, of course, from some one else who had a direct contract from Government and who sub-contracted to half a dozen different companies; and, of course, as Government do not know who the partners and directors of these companies are it is impossible for the subordinates of the Finance Member to find out anything about these activities. These are scandalous things and they ought to be put down. And I know this, that we in this group realise that many of our constituents who honestly pay their taxes and who are not in any sense men who are making large sums out of this war are going to be hard-hit by some of the provisions of this Budget. We should like, therefore, to feel that all the colleagues of the Finance Member are really going to bestir themselves to see that his Department's activities are supported, and supported in such a way that he will not merely save himself and the Government of India as he has so brilliantly done, but at the same time be able to assure some relief to the unfortunate people who are suffering today because of these activities to some of which I have drawn attention. I need not take the time of the House longer except that I should like to say this with reference to the Finance Member and what he has done.

About nine months ago, and perhaps a little more, this country was threatened with one of the most terrible dangers that it has ever been threatened

with. And I think that we all of us owe to the Finance Member a very deep debt of gratitude for the manner in which he has extricated himself from an extremely dangerous and difficult situation. I hope, Sir, that when he brings his next budget before us he will be able to show not merely that he has saved himself and his Government but that with the help of his colleagues,—who by that time I hope will have put down a lot of abuses about which I could tell them,—he will be able to show that in addition to saving Government he is also in a position to give some alleviation to those who are suffering from the inflationary tendencies in this country today. For whatever may be done in the way of dearness allowances and bonuses and extra pay, none of these things really get to the root of the matter. The only thing that will save the situation for the ordinary taxpayer is that the cost of living should go down. And that, to my mind, is the paramount duty before this Government in the next nine months. I know, of course, that they will say that they have the Anti-Profiteering Ordinance and the Anti-Hoarding Ordinance, and so on. All these things I admit and I believe they have been trying to do their best. But it would be dishonest of me to pretend that I think they have done all that they could. So far as Bengal is concerned, I am certain that this Government, if it really took steps to put down some of the abuses which only the Government of India,—not the Government of Bengal,—can deal with, that would go a long way first to help Bengal and, secondly, to make certain that the Finance Member's policy is going to achieve its real objective as an anti-inflationary measure.

Sir, we in this Group are going to support the financial proposals now before the House. But I believe I am speaking for all my colleagues when I say that we do so knowing that some of our constituents are going to suffer, and we do so hoping also that by administrative or other action the Finance Member will take steps to see that no assesses suffer unduly or unnecessarily as a result of the new burdens that have been imposed or are sought to be imposed by this Bill.

Sir Oowasjee Jehangir: Sir, I think several allusions have already been made to the fact that Government's financial proposals for 1944-45 may well be called an anti-inflationary budget. If that is a correct description, I think it becomes essential to examine how far the steps that Government have taken, and propose to take, will really be effective. Conditions in different parts of the world are not the same and measures taken most successfully to combat a great evil in one part of the world may not be so successful in another part, because conditions vary. The Finance Member has very briefly placed before us the methods he believes should be, and are being, adopted in this country. He says:

"That Government's plan has three broad aspects: In the first place, we must control and stabilize the net over-all demand placed upon Indian resources compensating, as far as possible, for any inevitable increase by imports of food, bullion or other capital and consumer goods. In the second place, we must step up in every way the rate of rupee incomes until it equals the rate of rupee outgoings. In the third place, we must maintain and extend our price controls."

These are the three methods that are being adopted and will be adopted to fight inflation. I believe these are the three methods most successfully adopted in England where they have fought this great evil of inflation most successfully. If that is so, it will be necessary to compare the conditions prevailing in India and in England. It can be done not by going into details, but by comparing broad aspects of conditions that prevail in England and in India. In England today all classes of people are earning more. You may take any group of people you like—you may take industrialists, you may take labour, agricultural or industrial, you may take any class of people; they are doing better today than they did in pre-war times. To these various classes of people I would also add fixed wage-earners.

The Honourable Sir Jeremy Raisman: No, no. Never.

Sir Oowasjee Jehangir: He is being compensated in England for the higher

The Honourable Sir Jeremy Raisman: No.

Sir Cowasjee Jehangir: It is so, and I am saying that in view of the facts I have got before me.

The Honourable Sir Jeremy Raisman: I can tell the Honourable Member that the position of fixed-income workers and Government servants in England is not the same. Their standard of living is often half or less than half of what it was before.

Sir Cowasjee Jehangir: I will come to that. Having made that general statement about England, let us compare and see the position of different classes of people in this country. The industrialist in India is certainly better off today than he was before the war.

An Honourable Member: Is he?

Sir Cowasjee Jehangir: As a whole industrial labour is not so badly hit. . .

Mr. N. M. Joshi (Nominated Non-Official): I don't agree.

Sir Cowasjee Jehangir: I am not looking to you for agreement. Again, I say that, as a whole, industrial labour is not so badly hit as other classes of labour in India. I will point out that the textile industry labour is doing far better than it ever did before; in fact, all connected with that industry are far better off today than they were before the war. (Interruption.) I have had occasion to say before that nothing will satisfy Mr. Joshi and if he by any mistake admitted that he was satisfied in respect of any class of labour he would get it in the neck when he goes out. Therefore, I do not look towards him for agreement with anything I may say with regard to labour, but I do not think that any fair man will contest what I say when I repeat that so far as labour in the textile industry is concerned, throughout the country they are better treated than any other labour in any walk of life. If only I had the time to give you figures, Honourable Members would begin to realize the truth of my statement. Let me only give you one figure. Any working man in the textile industry in Bombay earning from Rs. 25 to Rs. 150 gets a flat rate of Rs. 31—this is last month's figure. Just imagine a man earning Rs. 25 per month gets 31 dearness allowance. And in addition to that he gets two months' bonus in a year. Ahmedabad men, I believe, get better allowances.—I do not know the figures.

Nawabzada Muhammad Liaquat Ali Khan: They get Rs. 48 dearness allowance.

Sir Cowasjee Jehangir: The same thing applies to all fixed wage-earners in the mills. But let us admit that it is only a very small fraction of the population. The next class of people in this country who are doing very well indeed, as compared to pre-war times, or, shall I say, who are rolling in wealth compared to prewar times, are the owners of land—I do not mean the landless labourer, I mean the owners of land by whatever name you may call them.

Maulvi Muhammad Abdul Ghani (Tirhut Division: Muhammadan): They are worse off.

Sir Cowasjee Jehangir: I know I am on very difficult ground here; there are so many here who are interested in agriculture. I am to a certain extent also but let us not close our eyes to the facts for, if we do that, we shall certainly come to wrong conclusions. Owners of land or anybody who gets an advantage out of land, is better off today than he ever was before and as compared to the prewar times, may I say that he is rolling in wealth and luxury.

Mr. Govind V. Deshmukh (Nagpur Division: Non-Muhammadan): Question.

Sir Cowasjee Jehangir: Then, there are retail shopkeepers, they are better off. The wholesale man and the merchant is also better off. There may be other groups, but that does not mean India. There are millions and millions of people in this country who are worse off than they were before the war and therefore you cannot apply your anti-inflationary measures equally to all these classes, for you will not have anti-inflationary results if you do so. That is the great difference between England and India.

Now, in England the cost of living has gone up from 25 per cent. to 30 per cent. In India, I believe, the Honourable the Finance Member has admitted it has gone up by something like 248 per cent.

Sri K. B. Jinaraja Hedge (West Coast and Nilgiris: Non-Muhammadan Rural): 350 per cent.

Sir Cowasjee Jehangir: That is the major factor of difference between the two countries. I need hardly emphasise that with such a difference in the cost of living between the two countries your measures must be different.

Then, Mr. President, we come to controls. There again there are very striking differences. The controls in England are working in a manner which is a credit to their Government and a credit to their people. There is one great difference between controls in England and those attempted in India. Except for food, there is no control as to quantities in India. In England a man or woman can only buy at controlled prices a certain amount of clothing and boots. In India although the prices are controlled, there is no limit to which a man can go into a shop and buy at controlled rates if he can get it. There is no limit. That is one great distinction

Mr. President (The Honourable Sir Abdur Rahim): It is 5 O'clock. The Honourable Member can continue his speech tomorrow.

The Assembly then adjourned till Eleven of the Clock on Friday, the 24th March, 1944.

masters vary. They receive house rent allowance only when rent free quarters are not provided for them. Extra Departmental Sub-Postmasters are granted varying allowances up to Rs. 40 per mensem.

(b) I regret the information is not available and cannot now be collected.

(c) to (e). Information is being collected and will be laid on the table of the House in due course.

(f) Extra Departmental Sub-Postmasters are not ordinarily required to do the same amount of work as departmental Sub-Postmasters and their conditions of service, of which they were fully aware when they were employed, are different. The conditions of their service do not provide for the grant of increments. They are paid the same Dearness Allowance and are given the same food concessions as departmental officials.

Mr. Lalchand Navalrai: May I know if the former system under which village post offices used to be in the hands of some agencies still prevails? Is that going on still, or extra departmental people have been appointed everywhere in India?

Sir Gurnath Bewoor: I am sorry I do not understand what the Honourable Member means.

Mr. Lalchand Navalrai: I will make it clear. Formerly the post offices in the villages were worked by *munshis* or some other agencies which did not belong to the postal department. May I know if the same system is still going on, or the system in the whole of India has been changed into extra departmental men?

Sir Gurnath Bewoor: The same system is going on, and those very people are known as extra departmental postmasters.

Qazi Muhammad Ahmad Kazmi: With reference to the reply to part (a), may I know the maximum that extra departmental sub-postmasters are getting as allowance and pay?

Sir Gurnath Bewoor: Rs. 40.

Qazi Muhammad Ahmad Kazmi: Is the other figure that I have given regarding departmental sub-postmasters, viz., Rs. 145, correct?

Sir Gurnath Bewoor: No. They vary.

Qazi Muhammad Ahmad Kazmi: What is the maximum and what is the minimum?

Sir Gurnath Bewoor: The minimum is Rs. 35 and the maximum might go up to Rs. 120.

Qazi Muhammad Ahmad Kazmi: With regard to part (c), did the Honourable Member say that no such circular was issued?

Sir Gurnath Bewoor: I said that information was being collected.

Qazi Muhammad Ahmad Kazmi: As regards part (f), are not the duties the same?

Sir Gurnath Bewoor: They are different.

MEMORIAL OF SUB-POSTMASTERS IN U. P. FOR INCREASE OF ALLOWANCE.

609. ***Qazi Muhammad Ahmad Kazmi:** (a) Will the Secretary for Posts and Air please state whether it is a fact that in the United Provinces these Extra Departmental Sub Postmasters submitted memorials for increase in their allowances, but all were turned down by the Postmaster General, Lucknow, by his letter E. S. II. X. 1095/J.W, dated the 27th October, 1943, with the remark that "no increase in their allowance is justified"?

(b) Is it a fact that within a short time after this reply a number of Extra Departmental Branch Offices were turned into Departmental Sub Offices, thus increasing the expenses from Rs. 20 per mensem to Rs. 154 per mensem, for example, in Lucknow, Sunderbagh, Advocate, Hamdam, and Victoria Ganj Extra Departmental Sub Offices were converted into Departmental Branch Offices?

(c) Is it a fact that during this period in the United Provinces alone about 20 Extra Departmental Branch Offices have been so converted into Depart-

mental Branch Offices and the Extra Departmental Sub Postmasters with about 12-14 years of service thrown out of employment?

Sir Gurnath Bewoor: (a) to (c). Information has been called for and will be laid on the table of the House in due course.

CONVERSION OF AN EXTRA DEPARTMENTAL SUB-POST OFFICE INTO A BRANCH POST OFFICE.

610. ***Qazi Muhammad Ahmad Kazmi:** (a) Will the Secretary for Posts and Air please state whether it is not a fact that, before an Extra Departmental Branch Office is converted into a Departmental Branch Office, statistics about the work and expenses are taken into consideration?

(b) What were the figures for the Post Offices at Sunderbagh, Advocate, Hamdam and Victoria Ganj Extra-Departmental Branch Offices, about the time they were converted into Departmental Branch Offices?

(c) Have Government considered the advisability of (i) giving the Extra-Departmental Sub-Postmasters some increment consistent with their work and (ii) providing them with work when Extra-Departmental Post Offices are abolished?

Sir Gurnath Bewoor: (a) Yes.

(b) Information is being collected and will be laid on the table of the House in due course.

(c) Extra departmental sub-postmasters are not whole-time employees of the Department and, as stated in reply to part (f) of Question No. 608 the conditions of their service do not provide for the grant of increments or for continuity of employment.

Qazi Muhammad Ahmad Kazmi: In view of the fact that these men do the same amount of work, have the Government considered the granting of some amenities to these people?

Sir Gurnath Bewoor: The very essence of the extra departmental system is that these agents are cheaper than departmental sub-postmasters and they have their own sources of income. If we find that in any office the work has increased and the conditions are similar to those of departmental sub-post offices, then we convert the office into a departmental sub-post office.

Qazi Muhammad Ahmad Kazmi: Is it not a fact that the conversion of an extra departmental sub-post office into a departmental sub-post office means an increase in expenditure of about three or four times the amount that was ordinarily spent before?

Sir Gurnath Bewoor: It means an increase of expenditure, but I cannot agree that it will be three or four times.

Mr. Lalchand Navalrai: May I know from the Honourable Member if promotion is given to these people or any pension, if they were to work for the department for over 30 years?

Sir Gurnath Bewoor: No. They are part time employees; they are not whole time employees of the department.

Qazi Muhammad Ahmad Kazmi: May I know exactly the reason of such abrupt change in expenditure from extra departmental sub-post offices, and the reason for not giving some little increments to these people who are so hard worked that on account of the increase in work the office has to be changed from an extra departmental office into a departmental office?

Sir Gurnath Bewoor: I have explained before that extra departmental sub-post offices are opened when the amount of work involved is such as could be performed by a man who has his own private sources of income and he could perform his private work still, but when the work has increased we make the office into an ordinary sub-office just as there are any number of other offices. It is true that there is an increase of cost but that has to be faced, because there has been an increase of work. The Honourable Member is entirely misunderstanding the whole position of extra departmental system. The extra departmental system is adopted only when the amount of work is such that it will be wasteful to employ a whole time departmental officer.

Mr. President (The Honourable Sir Abdur Rahim): Next question.

STARRED QUESTIONS AND ANSWERS

(b) Is it a fact that double and triple duties are going on in the R. M. S. "C" and "E" Divisions for a long time?

(c) Is it a fact that there are considerable vacancies in these Divisions and temporary hands are being taken on the understanding that their services would be terminable after the war?

Sir Guruath Bewoor: (a) and (b). Government have no information and do not propose to call for it. A copy of the question is, however, being sent to the Postmasters General concerned as they are fully competent to deal with the matter.

(c) Under existing orders, all recruitment to posts under the Central Government is ordinarily required to be on a temporary basis.

DESIRABILITY OF MAKING MOTOR TRAFFIC A CENTRAL SUBJECT AFTER THE WAR

614. ***Mr. K. S. Gupta:** Will the Honourable Member for War Transport please state whether, in view of a large number of motor vehicles and trained drivers available at the end of the war, the Government of India have considered the utility of making motor traffic, a central subject and automatic conversion of Provincial authorities as agents of the Central Government?

The Honourable Sir Edward Benthall: With your permission, Sir, I will reply to questions Nos. 614 and 615 together.

The considerations to which the Honourable Member refers in support of his proposals fall within the scope of post war reconstruction plans for road development and transport, and will be examined in consultation with Provincial Governments. I regret that I am unable at this stage to make any statement as to the policy which Government will adopt as a result of this examination.

DESIRABILITY OF SETTING UP A ROAD BOARD.

615. ***Mr. K. S. Gupta:** (a) Will the Honourable Member for War Transport please state whether, in view of an expectation of considerable development of agriculture and industry after the war and increase of motor traffic to a great extent, the Government of India would consider the formation of a Road Board on the lines of the Railway Board?

(b) Would not such a Road Board act as a regulator of road traffic and also of rail-road competition?

SELECTION FOR POST OF ASSISTANT COAL SUPERINTENDENT IN STATE RAILWAY COAL DEPARTMENT.

616. ***Mr. H. A. Sathar H. Essak Sait:** (a) Is the Honourable Member for Railways aware that an advertisement was published in the *Dawn*, dated the 22nd June, 1943, calling for applications for the post of Assistant Coal Superintendent in the Coal Department of State Railways, and that it was stated therein that this post was reserved for a Muslim? If so, did Muslim candidates possessing all the qualifications mentioned in the advertisement apply?

(b) Was any Muslim selected? If not, why not?

(c) Was the Non-Muslim selected the senior-most among the candidates?

(d) Was there any special reason for selecting the person who finally got the post?

The Honourable Sir Edward Benthall: (a) The reply to the first part is in the affirmative. As regards the second part, I am obtaining information and a further reply will be laid on the table of the House.

(b) No, because in the opinion of the F. P. S. C. no such candidate was available.

(c) The candidate selected was placed first in the order of merit by the F. P. S. C.

(d) No, except that he was considered the most suitable by the F. P. S. C.

Mr. H. A. Sathar H. Essak Sait: With regard to part (d) could my Honourable friend enlighten me whether the appointment of this particular officer has shut out some senior people?

The Honourable Sir Edward Benthall: Not that I am aware of.

+For answer to this question, see answer to question No. 614.

MUSLIMS AS CAMP CLERKS IN THE OFFICE OF POSTMASTER GENERAL, U. P.

617. *Mr. Muhammad Azhar Ali: (a) Will the Secretary for Posts and Air kindly state if it is a fact that there are six posts of camp clerks in the office of the Post Master General, United Provinces, Lucknow, and none of them has been given to a Muslim? If the reply be in the affirmative, what are the reasons therefor?

(b) What steps do Government now propose to take to give Muslims their full share in the cadre of stenographers?

Sir Gurunath Bewoor: (a) and (b). Information has been called for and will be laid on the table of the House in due course.

METHOD OF FILLING POSTS OF STENOGRAPHERS IN POSTS AND AIR DEPARTMENT.

618. *Mr. Muhammad Azhar Ali: Will the Secretary for Posts and Air please state what the practice is for filling posts of stenographers? Is it done through the medium of an examination?

Sir Gurunath Bewoor: It is presumed that the Honourable Member is referring to the posts of stenographers in the office of the Postmaster General, United Provinces, Lucknow. There is no separate cadre of stenographers. Clerks employed in the establishment of the Circle Office are selected and appointed to work as stenographers, provided they are fully acquainted with stenography. This knowledge of stenography is tested by the appointing officer.

Mr. Muhammad Azhar Ali: My question was whether there was any examination?

Sir Gurunath Bewoor: I explained that any existing clerk in the office, if he knows stenography, is selected and as regards the testing of his knowledge of stenography, that testing is done by the appointing officer.

APPOINTMENTS TO POSTS CARRYING ALLOWANCES IN CIRCLE POST OFFICES IN U. P.

619. *Mr. Muhammad Azhar Ali: (a) Will the Secretary for Posts and Air please state if it is a fact that the Director General of Posts and Telegraphs had to issue clear orders that appointments on allowance posts, including camp clerks, in circle offices, should be made from all communities, that is there should not be any preponderance of any one class or community on such posts?

(b) What steps have been taken by the Post Master General, United Provinces, to enforce the orders of the Director General in question? If not, why not?

(c) Is it a fact that there is no likelihood of the occurrence of the next vacancy for at least ten years?

Sir Gurunath Bewoor: (a) In October 1943 the Director General, Posts and Telegraphs issued instructions to all Heads of Circles pointing out to them the necessity of preventing preponderance of any one class or community in the group of clerks who are employed as stenographers.

(b) and (c). Information has been called for and will be laid on the table of the House in due course.

PREPONDERANCE OF MUSLIM OFFICERS IN THE PUNJAB POSTAL CIRCLE.

620. *Bhai Parma Nand: (a) Will the Secretary for Posts and Air please state if it is a fact that all the staff and the Establishment Section of the office of the Director General, Posts and Telegraphs, New Delhi, are under the charge and control of Muslim officers?

(b) Is it not a fact—

(i) that the Post Master General, Punjab, is a Muslim;

(ii) that the officiating Director of Telegraphs, Punjab Circle, is also a Muslim;

(iii) that three Divisional Engineers, Telegraphs, out of five are also Muslims, in the Punjab; and

(iv) that the three Divisional Engineers out of five are on extension of service, and also one of the three Muslim Divisional Engineers, Telegraphs, is on second extension?

STARRED QUESTIONS AND ANSWERS

(c) Is it a fact that Post Masters, Delhi and New Delhi, the Deputy Accountant General, Posts and Telegraphs, Delhi, and the Accounts Officer, Telephone Revenue, Delhi, are also Muslims?

Sir Gurunath Bewoor: (a) The three sections of the office mentioned by the Honourable Member are in the charge of Muslim officers but they are under the control of a non-Muslim officer.

(b) Yes, except that at present, two and not three Divisional Engineers are Muslims. I may, however, add for the information of the Honourable Member that postings are not made on communal grounds and that if certain class I officers posted in the Punjab and N.-W. F. Circle at present in the exigencies of service are Muslims, such officers in other circles are either all non-Muslims or preponderantly non-Muslims.

(c) Yes, except that the Deputy Accountant General, Posts and Telegraphs, Delhi is not a Muslim.

Mr. Muhammad Nauman: With reference to part (a), does the Honourable Member know that all the establishment sections of the Posts and Telegraphs Directorate are under a Senior Deputy Director General who is a non-Muslim?

Sir Gurunath Bewoor: That is exactly what I said. The Honourable Member did not hear my reply.

Mr. Lalchand Navalrai: May I know from the Honourable Member if the Member in charge is also a Mussulman?

Sir Gurunath Bewoor: That is within the knowledge of the Honourable Member himself.

OPENING OF NEW TELEPHONE AND TELEGRAPH ENGINEERING DIVISIONS.

621. *Bhai Parma Nand: (a) Will the Secretary for Posts and Air please state if it is a fact that a new Telephone Engineering Division has been opened in Delhi and a Telegraph Engineering Division at Ambala? If so, what extra expenditure has been incurred on this account?

(b) Is it a fact that certain Telephone Inspectors (non-ministerial staff) in the Punjab Circle have been given extension of service after the age of superannuation, thus blocking promotion of junior officers? If so, why?

(c) Is it a fact that the Director General, Posts and Telegraphs, has sometime back issued orders prohibiting the transfers of Head Clerks and other staff from one station to another for the duration of the war?

Sir Gurunath Bewoor: (a) The facts are not exactly as stated by the Honourable Member. Owing to the considerable growth of telephone work in the Delhi Telegraph Engineering Division, it was decided to create a Delhi Telephone Division with headquarters at Delhi and a Telegraph Engineering Division with headquarters at Ambala. Exact information as to the extra expenditure incurred is not available since the new arrangement has come into force only from 1st November, 1943, but the creation of the new division was estimated to involve an additional cost of approximately Rs. 30,000 per annum.

(b) So far as information is available, only one Telephone Inspector in the Punjab Circle has been retained in his post after the age of superannuation. This has been done in the interests of the public service.

(c) No. The orders issued were that the regular rotational transfer of Head Clerks in Offices of Divisional Engineers Telegraphs, every four years should not be given effect to during war time.

Mr. Muhammad Nauman: With reference to part (b), may I know what is the number of Muslims out of this total of nine?

Mr. Lalchand Navalrai: All.

Sir Gurunath Bewoor: I said that only one Inspector had been given an extension. Where are the nine?

Mr. Muhammad Nauman: What is the total number of Telephone Inspectors and how many are Muslims. I am not referring to those who have been given extension.

Sir Gurunath Bewoor: That does not arise out of the question. The question asked was whether certain Telephone Inspectors have been given extension of service and I said that one man had been given an extension.

Sir Gurunath Bewoor: I have no information.

TRANSFER OF CERTAIN CLERICAL STAFF TO TELEGRAPH ENGINEERING DIVISION,
AMBALA.

(b) Are there any standing orders in the Posts and Telegraphs Department to the effect that while ordering such transfers the principle of "longest stay" in one station should be followed? If so, has this principle been kept in view, while ordering the clerical staff of the Telegraph Engineering Division from Delhi to Ambala? If not, why not?

(b) The reply to the first part is in the negative. The second part does not arise. As regards the third part, Government do not consider it necessary to lay down any hard and fast rules of procedure for transfers, which must be governed by administrative needs and convenience.

QUALIFICATIONS FOR RECRUITMENT OF SUPERIOR TELEGRAPH ENGINEERING OFFICERS.

(b) If the reply to the concluding portion of (a) be in the affirmative, what are the reasons for preferential treatment in the present case?

Sir Gurunath Bewoor: (a) and (b). Recruitment to the grade of Assistant Divisional Engineers, Telegraphs in the Telegraph Engineering Service, Class I, is made partly from direct recruits on the results of a competitive examination held by the F. P. S. C. and partly by promotion of Assistant Engineers selected on the advice of the F. P. S. C. The minimum academic and technical qualifications required of a candidate to be eligible for the competitive examination are contained in rule 13 of P. & A. Department Resolution No. S-97-2/43, dated the 6th May, 1943, and appendices I and II thereto, which were published in the *Gazette of India*, dated the 15th May, 1943. As no such qualifications are required of officers promoted to that service, the latter portion of part (a) and part (b) do not arise.

GAZETTED AND SUPERVISORY POSTS IN THE PUNJAB POSTAL CIRCLE.

624. *Bhai Parma Nand: Will the Secretary for Posts and Air please state the number of gazetted and supervisory posts sanctioned in each Branch of the Posts and Telegraphs Department in the Punjab Circle, and the number filled by Muslims, Hindus and other communities?

Sir Gurunath Bewoor: The information is not readily available and cannot be collected as this would involve an expenditure of time and labour not justified in war time.

EXTENSIONS OF SERVICE GRANTED TO MUSLIM DEPUTY DIRECTOR GENERAL AND ASSISTANT DEPUTY DIRECTOR GENERAL, POSTS AND TELEGRAPHS.

Sir Gurunath Bewoor: The facts are not as stated by the Honourable Member. A further extension of service has recently been granted to the Muslim Deputy Director General, Posts and Telegraphs. No further extensions of service have been granted to the Muslim Assistant Deputy Director General, Posts and Telegraphs, or the Parsi Senior Deputy Director General, Posts and Telegraphs, who were both granted extensions of service last year. The Hindu Deputy Director General, Posts and Telegraphs, has also recently been granted an extension of service. Thus, there has been no discriminatory treatment given to Muslims. Extensions of service are granted solely in the interests of the public service and not in the interests of the individual officers concerned.

UNSTARRED QUESTIONS AND ANSWERS.

PROMOTION OF GUARDS ON NORTH WESTERN RAILWAY.

(b) Is there any difference in procedure of promotions amongst Guards and other categories in Transportation Group? If so, what is that, and the reasons therefor?

(c) Is promotion from one grade to another in non-selection posts made in order of seniority *cum* merit?

The Honourable Sir Edward Benthall: (a) Promotion for non-selection posts are made on seniority among those considered fit for the promotion.

(b) No, except that the staff are interviewed at the Headquarters Office to determine their fitness. This is necessary on account of the nature of the duties of guards.

(c) Yes.

(c) Yes.

WORKING HOURS OF CERTAIN STAFF ON EAST INDIAN AND NORTH WESTERN RAILWAYS.

175. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state the working hours prescribed for the staff on the East Indian and North Western Railways to whom the Hours of Employment Regulations are not applicable? If no working hours are prescribed, what are the reasons therefor?

The Honourable Sir Edward Benthall: It is not understood what particular staff is referred to. In all cases where this is possible the hours of work are laid down.

REST FOR GUARDS AFTER DUTY PERIOD ON NORTH WESTERN RAILWAY.

176. **Mr. Muhammad Azhar Ali:** (a) Has the attention of the Honourable Member for Railways been invited to subject No. 2, Part II-overtimes to Guards, of the Minutes of the meeting held between the General Manager,

+Answer to this question laid on the table, the questioner having exhausted his quota.

DEARNESS ALLOWANCE TO RAILWAY SERVANTS ON AREA BASIS.

184. **Mr. Ananga Mohan Dam:** Will the Honourable Member for Railways please state :

(a) if it is a fact that the prices of foodgrains all over India are controlled by the Government;

(b) if it is a fact that the prices of foodgrains all over India are universal both in urban and rural areas;

(c) if the replies to parts (a) and (b) be in the negative, the correct fact, and the prices in different urban and rural areas, respectively; and

(d) if the replies to parts (a) and (b) be in the affirmative, the reasons for paying the Railway Servants the dearness Allowance on Area basis?

The Honourable Sir Edward Benthall: (a) and (b). No.

(c) There is no general price control of foodgrains. As regards the second part, it is regretted that these details are not available, but even where price controls exist, the prices are not the same everywhere.

(d) Does not arise.

MEMORIAL FOR DEARNESS ALLOWANCE BY DELHI-SHAHDARA RAILWAY STATION EMPLOYEES.

185. **Mr. Ananga Mohan Dam:** Will the Honourable Member for Railways please state :

(a) if he has received Memorials, dated the 25th September, 1943, from employees on the North Western Railway working at Delhi Shahdara Junction regarding Dearness Allowance; if so, what action has been taken thereon; if no action has been taken, the reasons therefor;

(b) if it is a fact that the Honourable Sir Mohammad Azizul Haque has informed this House that Shahdara Town derives its supplies of day to day necessities of life from Delhi City under permits issued by the Commodity Control Officers, under the Chief Commissioner of Delhi; and

(c) whether Government now propose to include Shahdara with Delhi and New Delhi Area; if not, why not?

The Honourable Sir Edward Benthall: (a) No, the other parts do not arise.

(b) No, what the Honourable Sir Muhammad Azizul-Haque stated was that Shahdara derived part of its supplies in the manner described.

(c) No, because they do not consider there is any justification for doing so.

RECOGNITION TO THE UNITED UNION OF NORTH WESTERN RAILWAY WORKERS.

186. **Mr. Ananga Mohan Dam:** Will the Honourable Member for Railways please state :

(a) if it is a fact that the General Manager, North Western Railway, gave recognition to the United Union of the North Western Railway Workers on the condition that all the constituent Unions would cease their separate existence;

(b) if it is a fact that about 90 per cent. of the constituent Unions with separate existence have seceded from the United Union; .

(c) the date on which the said United Union was registered under the Trade Unions Act by the Registrar;

(d) the total number of constituent Unions on the North Western Railway, and how many are affiliated with the United Union; and

(e) whether Government propose to withdraw the recognition for non-fulfilment of the condition; if not, why not?

The Honourable Sir Edward Benthall: (a) Yes, except that the recognition is provisional.

(b) No, but four out of the seven Unions affiliated in the beginning have Government are informed, seceded.

(c) 8th February, 1940.

(d) Seven; three are now affiliated to the United Union.

(e) No; in the hope that the conditions may yet be fulfilled.

MOTION FOR ADJOURNMENT.

SALE AT PROFIT IN INDIA OF GOLD PURCHASED IN SOUTH AFRICA BY THE UNITED KINGDOM.

Mr. President (The Honourable Sir Abdur Rahim): Notice has been given by Mr. Avinashilingam Chettiar to move the adjournment of the business of the House to discuss a definite matter of urgent public importance, namely: the connivance of the Government of India in allowing the United Kingdom to sell gold purchased in South Africa for £8 8s. at the rate of £14 per ounce in India, as brought out in the reply of the Minister of Finance of the South African Union (as reported in *The Hindustan Times* of today).

Has not this matter been discussed in the Budget?

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore cum North Arcot: Non-Muhammadan Rural): Sir, I may point out to Rule 48 in the Manual of Business and Procedure which says:

"The motion must not revive discussion of a matter which has been discussed in the House".

Mr. President (The Honourable Sir Abdur Rahim): I asked the Honourable Member if this question has not been discussed since the Budget was introduced?

Mr. T. S. Avinashilingam Chettiar: It was generally referred to and the Government may or may not reply.

Mr. President (The Honourable Sir Abdur Rahim): Have not the Government replied?

The Honourable Sir Jeremy Raisman (Finance Member): The question is exactly the same which has been referred to in my Budget speech and which has been mentioned by several speakers in the course of this debate and it is still relevant to this debate.

Mr. President (The Honourable Sir Abdur Rahim): I hold that the motion is not in order.

STATEMENT OF BUSINESS.

The Honourable Sir Sultan Ahmed (Leader of the House): Sir, we had been anxious to conclude the debate on the Consideration Motion of the Finance Bill today, but I am afraid it has not been possible. It has, however, been agreed by all Parties that the debate should conclude on Monday next, that the whole Monday should be reserved for such Party Leaders as do not speak today and for the Honourable the Finance Member's reply, and that Mr. Lalljee and, if possible, Sir Henry Richardson, should have an opportunity of speaking today. It is also, I think, agreed that Questions should be dispensed with on Monday and I would ask you, Sir, to direct accordingly.

There is now no prospect of the business of the Session being concluded by the 31st March and I would, therefore, ask you, Sir, to direct the House to sit for the transaction of official business on Monday, Tuesday and Wednesday, the 3rd, 4th and 5th of April.

Mr. H. A. Sathar H. Essak Sait (West Coast and Nilgiris. Muhammadan): On a point of information, Sir. It is said that the Parties have agreed. I believe my Honourable friend himself and the Leaders have agreed to this arrangement and that he had a talk with the Leaders.

Mr. President (The Honourable Sir Abdur Rahim): I understand that an agreement has been arrived at as stated by the Honourable the Leader of the House and, as requested by him, I am prepared to dispense with the questions on Monday next if it is agreeable to the House and I direct that the House will sit on the 3rd, 4th and 5th April.

Mr. Lalchand Navalrai (Sind: Non-Muhammadan Rural): May I ask, Sir, whether on Monday other speakers, who are the back benchers, will also be allowed to speak or whether it will be reserved wholly for the Leaders of the Parties?

Mr. President (The Honourable Sir Abdur Rahim): The Leader of the House has made the point quite clear.

North Western Railway, and a deputation of the United Union of the North Western Railway Workers at Lahore on the 4th October, 1943, and circulated under No. 961-E/475, dated the 12th October, 1943, by the General Manager, viz., "it is not the intention to fix twelve hours as the absolute maximum period of duty after which a Guard can claim rest", and state the absolute maximum period prescribed for the working of trains by Guards normally and not in exceptional occasions?

(b) Are Guards entitled to claim rest in ordinary working of a train after twelve hours? If not, what are the reasons therefor?

(c) What is the result of the arrangements made to give rest to Guards after twelve hours' working?

The Honourable Sir Edward Benthall: (a) The maximum number of hours on duty after which a Guard can claim rest is 16.

(b) No, because it is not considered necessary to lower the present limit.

(c) Government are not aware of any such arrangements.

NON-PAYMENT FOR OVERTIME WORK TO STAFF OF DELHI DIVISION, NORTH WESTERN RAILWAY.

177. Mr. Muhammad Azhar Ali: Will the Honourable Member for Railways please state:

(a) if it is a fact that the staff on the North Western Railway, Delhi Division, when required to work over and above the hours of employment are never paid overtime earned by them; and

(b) if the reply to part (a) be in the affirmative, the reasons therefor?

The Honourable Sir Edward Benthall: (a) No.

(b) Does not arise.

PRESS CORRESPONDENTS GIVEN RAILWAY PASSES.

178. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state the names of the Press Correspondents of the newspapers and of the news agencies or other persons connected with the Press whom Railway Passes (description to be given) for travelling are given by the Railway Board or by the Railway Administration, together with the purpose for which such passes are to be used, and the action provided for abuse thereof? If no action has been provided, what are the reasons therefor?

The Honourable Sir Edward Benthall: During the year 1943, the Railway Board have issued one First Class Card Pass available over State Railways in favour of each of the following:

(i) one representative of Reuters.

(ii) one representative of the United Press of India.

(iii) one representative of the Associated Press of India.

(iv) one representative of the Orient Press of India.

The S. I. Railway issue six single journey First class passes yearly to each of the following:

(1) The Editor, Railway Herald;

(2) The Editor, Wednesday Review; and

(3) The Editor, Indian Railway Magazine, Madras.

The B., B. & C. I. Railway issue a First class card pass to a representative of Reuters.

Other Class I Railways did not issue any passes to representatives of Press Agencies or the Press during 1943.

These passes have been given in return for services rendered in connection with publicising Railways and their activities, and no question of abuse arises.

OLD GRADES TO CERTAIN TRAVELLING TICKET EXAMINERS ON EAST INDIAN RAILWAY.

179. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state if it is a fact that in July, 1934, Government gave an assurance to this Honourable House that the Travelling Ticket Inspectors now designated as Travelling Ticket Examiners on the East Indian Railway will be promoted

in their old grades on occurrence of vacancies and in order of seniority (page 276 of the Debates)? If so, how many of them have so far been promoted in their old grades? If not, why is not the assurance honoured?

The Honourable Sir Edward Benthall: Yes, as regards the first part. As regards the second part the Honourable Member is referred to the reply to Unstarred Question No. 22 asked by Mr. Muhammad Azhar Ali in the Legislative Assembly on 12th November, 1943.

NO DUTY ROSTER FOR TICKET COLLECTORS AT JULLUNDUR CANTONMENT RAILWAY STATION.

180. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state if it is a fact that no duty roster is prescribed for the working of the Ticket Collectors at Jullundur Cantonment Railway Station on the North Western Railway under Hours of Employment Regulation? If not, why not?

The Honourable Sir Edward Benthall: The reply to the first part is in the negative. The second part does not arise.

INADEQUATE NUMBER OF TICKET COLLECTORS AT JULLUNDUR CANTONMENT RAILWAY STATION.

181. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state:

(a) if it is a fact that the passenger traffic at Jullundur Cantonment Railway Station on the North Western Railway has considerably increased during the preceding three years or so;

(b) if it is a fact that the strength of the Ticket Collectors for the direction and guidance of passengers or to control the traffic has not been increased; and

(c) whether Government propose to increase their strength, if not, why not?

The Honourable Sir Edward Benthall: (a) Yes.

(b) Government understand that additional Ticket Collectors are now being posted to Jullundur Cantonment.

(c) Does not arise.

MUSLIMS TAKEN AS TRAFFIC SUPERINTENDENTS, ETC., IN DELHI DIVISION.

182. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state:

(a) the number of Muslims taken into selection of T.S., T.I. and A.T.I. on the Delhi Division during the preceding four years; and

(b) the number of Muslims given exemption from Course P-3, against the total number of exemptions given to-date on the Delhi Division of the North Western Railway; if no Muslim has been given exemption, the reasons therefor?

The Honourable Sir Edward Benthall: (a) It is not understood what is meant by A. T. I. No selections were held in the Delhi Division during the last four years for the other posts mentioned.

(b) No employee was given exemption from Course P-3.

LOWER INITIAL PAY OF EMPLOYEES IN THE SUPERIOR SERVICES (NON-GAZETTED) ON STATE RAILWAYS.

183. Mr. Ananga Mohan Dam: Will the Honourable Member for Railways please state:

(a) if it is a fact that initial starting pay of a lower grade clerk is Rs. 60 plus dearness allowance for offices of the Government of India including attached and subordinate offices;

(b) if it is a fact that this initial starting pay of an employee in the Superior Services (Non-Gazetted) on State-Managed Railways is Rs. 30 plus dearness allowance according to the zones; and

(c) if the replies to parts (a) and (b) be in the affirmative, the reasons for this differential treatment?

The Honourable Sir Edward Benthall: (a) Yes, as far as is known.

(b) Yes, generally.

(c) The differences have always existed, the rate of pay offered on Railways has hitherto been adequate to attract a sufficient number of suitable candidates for employment.

LEGISLATIVE ASSEMBLY

Mr. N. M. Joshi (Nominated Non-Official): If the Leaders do not choose to take all the time, are the other Members prevented from speaking?

Mr. President (The Honourable Sir Abdur Rahim): Does the Honourable Member mean after the reply of the Finance Member?

Mr. N. M. Joshi: No, even before.

Mr. President (The Honourable Sir Abdur Rahim): How am I to know as to how long he will speak? Does not the Honourable Member follow me? If the Honourable the Finance Member has replied, then there can be no question of any other Member speaking afterwards. Until he replies, the Chair will not be in a position to know—nobody will be in a position to know—what time will be left.

Mr. N. M. Joshi: If there is a closure, he has a right to speak. But I was thinking of the right of Members.

Mr. President (The Honourable Sir Abdur Rahim): I have understood from the Leader of the House that the Finance Member would begin his reply after the Leaders of Parties have spoken.

The Honourable Sir Sultan Ahmed: Yes.

Mr. N. M. Joshi: But if the closure is applied

Mr. President (The Honourable Sir Abdur Rahim): Order, Order; that is the arrangement. The House will now resume the consideration of the Finance Bill.

THE INDIAN FINANCE BILL—contd.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): Mr. President, while speaking yesterday on the Finance Bill, I was dealing with the Government's policy of inflation and had pointed out the three methods Government were employing and which had been so successfully employed in England. I had also pointed out the difference in the conditions prevailing in England and in India and had, therefore, come to the conclusion that anti-inflationary measures, equally applied to all classes, would only result in partial success. The main point, therefore, I tried to stress was that anti-inflationary measures should be especially aimed at those classes who are better off due to the conditions of war. Just before I closed my remarks, I was dealing with price controls. Price controls are the sheet-anchor of Government's remedies against inflation.

Now, Sir, I am quite aware of the great difficulties in a country like India of enforcing controls. Government of India alone are not concerned. They may lay down the policy but that policy has got to be followed by the Provincial Governments, and I have a feeling that there may be some Provincial Governments who do not take this question very seriously. I would request the Honourable the Commerce Member and the Honourable the Food Member to impress upon the Provinces and their Governments, whether they be under Section 93 or under a Ministry, that this question of controls is the most important question before the country. Party politics are well and good in times of peace, but let not party politics come in the way of these serious measures of controls, which are so urgently necessary in the interests of the poorest in the country as well as in the interests of the rich.

We had one example given to us the other day by an Honourable Member who represents Assam. He said that in a big city in Assam standard cloth was not available and that the price of the standard cloth was not printed on the cloth and that the retail seller demanded an exorbitant price. These things should not happen now. There is any amount of standard cloth available in the city of Bombay to be raided anywhere that the Honourable the Commerce Member may desire. I think it is time that such complaints should not come before this Honourable House and that in every part of India at least standard cloth should be available at the controlled prices. It is no use trying to make the manufacturer reduce his price which he is willing to do and has co-operated with Government in doing so, if the man in the street cannot get that standard cloth at the price marked and fixed by Government. The fault lies with the Provincial Governments and not with the Government of India. Therefore,

THE INDIAN FINANCE BILL

my point is strengthened by the instance given by the Honourable Member for Assam. There are many such instances with regard to food and with regard to cloth throughout India and once again I will state that the sheet-anchor of Government's measures is the reduction of prices of all necessities of life. There are black markets even in England, but the great difference between the black markets in England and those that have come into existence in this country is this. The black market in England is taken advantage of by people who have got a little more cash than others, and who want to get a little more advantage than the generality of people in England. They want to get a little more clothes, a little more food and they go into the black market and pay black market prices for the articles they want. In India, the position today is that even the poorest are compelled to go into the black market for the necessities of life. They cannot do without it and the black market flourishes under these conditions. Black markets will exist whatever Government do. But the point is that you must bring the black markets to the condition in which they are in England, that is, again I will repeat that the poorest need not go to the black markets for the mere necessities of life. The prices of some foodstuffs have increased because they are not controlled; meat has increased in price, the price of fowl has increased, the price of eggs has increased, all have risen to the extent that the middle class man now cannot afford to buy. I have had instances brought to me, sad and tragic instances of a man earning up to Rs. 500 a month who cannot afford to give his children the food that he gave them before war times on account of the exorbitant prices. I might draw the attention of the Government that in certain big cities, those articles which are not controlled and perhaps need not be controlled have risen in price due to the great demand of the army who go into the markets the first thing in the morning—as in the city of Bombay—and buy up such things as are not controlled, like fowl, eggs and certain best classes of meat. I do not know what the remedy is. I bring this point to the attention of Honourable Members on the Government Benches for such remedies as they may consider necessary. I will not deal any more with this question of cost of living because it has been dealt with and impressed upon Government from so many quarters. The last Honourable Member who spoke, Mr. Chapman-Mortimer, also placed this remedy against inflation as the main remedy in this country.

Now, I will come to the second measure suggested by Government. To put it in the words of the Honourable the Finance Member himself:

"What matters from the point of view of preventing inflation is that the reabsorption of the purchasing power should be adequate to the total Government outlay and our troubles have arisen from the fact that we have not at all times been able to raise sufficient rupees from the market to finance the recoverable war expenditure."

Now, Sir, if that is one of the remedies for inflation, we also know that during the last twelve months, the Honourable the Finance Member was able to raise by loans Rs. 279 crores as against 93 crores in the previous twelve months. That is a very big rise. May I ask him what has been the anti-inflationary effect of that money raised by him? Theories are all very well and good.

The Honourable Sir Jeremy Raisman (Finance Member): It has checked the rise which was going on in prices.

Sir Cowasjee Jehangir: Theories are all very well and good, but the test of the pudding is in the eating, and although I am in favour of strongly advocating getting more and more loans by persuading people or forcing people to give more and more

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Forcing!

Sir Cowasjee Jehangir: Yes, I am in favour of forcing, but I will come to that point later on. I would point out to the Honourable the Finance Member that there is a doubt whether this big money has an anti-inflationary tendency, it is necessary to For such borrowings to have a real anti-inflationary tendency, it is necessary to

[Sir Cowasjee Jehangir.]

ascertain from where these borrowings come. If it is money which was never intended to be spent but to be invested in real estate or in such commodities as gold, it cannot have an anti-inflationary effect to the extent the Honourable Member believes. Money must be drawn from that class of people who would spend it in excess of their maximum requirements and thus cause inflation. The main object to be attained is to reduce the power of the small purchaser to purchase goods not really required by him, and not so much the drawing out of the money which would otherwise be more or less harmless from an inflationary point of view. These are the theories that are now being applied by economists.

The Honourable Sir Jeremy Raisman: Will the Honourable Member tell me how you know whether any particular money will be used for spending or for investment; how do you know?

Sir Cowasjee Jehangir: Big money cannot be used for ordinary expenditure on the necessities of life. The Honourable Member has in this very budget made provision for extracting big money from companies. He has also made provision for extracting money by way of taxation all over the country.

Dr. P. N. Banerjea: From all classes of people.

Sir Cowasjee Jehangir: Yes, from all classes of people. Now, Sir, my point is this, that the extraction of big money will not have an anti-inflationary effect, it will have only a secondary effect and I would not rely upon getting these very big loans to have that anti-inflationary effect which is so necessary just now. Now, Sir, the big money that he has got and which he should get and which should come to the treasury will be sterilised in any case. It may go into the current account with banks, or it may be invested in gold or real estate. That will be sterilised so far as inflation is concerned. Therefore, when he makes a general statement as this, I must submit, it does not apply to inflation.

The Honourable Sir Jeremy Raisman: What about the people to whom money is given for real estate and so on. Does not that money become free purchasing power?

Sir Cowasjee Jehangir: I do not want to take more time than is absolutely necessary, for there are others to follow. I hope my Honourable friend will allow me to go in my own way. I will again repeat that what I read from the Honourable the Finance Member's speech is only partially true.

Now, Sir, he has done in this budget what he has attempted to do in other budgets, i.e., draw out money from companies and firms. His measures are very stringent—I will come to that later on—and I must say that I think he has come to the limit of stringency. But the people he must really attack for anti-inflationary purposes are those masses of the people who are doing better—(Dr. P. N. Banerjea: "Who are starving")—who are doing better but have not been touched except through his general measures of taxation which apply to all classes, those millions who are doing worse and those fewer millions or those hundreds of thousands who are doing better. And I am now coming to a rather delicate subject on which I touched before. I do not know what the Honourable Member has done with regard to those millions of people—I understand they go into millions—who are primary or secondary owners of land. It seems to me that they are causing inflation more than anybody else. They have been getting money which they have never been accustomed to get in the last 30 or 40 years. They had been living a hand-to-mouth life but suddenly found that their products are producing in the open market three or four times their original value. Still, so far as I can see, they pay no income-tax, no super-tax, no excess profits tax, and the land revenue has not risen. They remain more or less untouched. One of the reasons for these fixed deposits is that companies and firms should be made to save in order that they may use that money for rehabilitation of their industries. May I ask whether it is not necessary for the primary and secondary owner of land also to be made to save in order that he may use that money usefully after the war to improve the conditions of agriculture? Why should this principle apply to one and not

THE INDIAN FINANCE BILL

to the other? Why should not the owner of land be made to save money? Why should he be allowed to carry out a suicidal policy of buying more land or land that he was forced to give up in bad times, at inflated rates? Why should he be helped to carry on inflation in land? Why cannot he be forced to save that money for times more normal when he can buy that land which he lost in days gone by, at a reasonable price? Why cannot he be forced to live like the millions and millions of other people in India who are on the verge of starvation due to the conditions of war? I do not know how many millions there are of such primary and secondary owners of land. I have heard the figure of 55 million; I believe the Gregory report states that, though I can hardly believe it myself. But if it is anything like that figure that means, if you take only one child, there are 150 million people in this country who are helping inflation. These people go untouched.

Dr. P. N. Banerjea: Most of these people have no food to eat.

Sir Cowasjee Jehangir: That is all bunkum.

Dr. P. N. Banerjea: You live in Bombay in a palace, you don't know the condition of the agriculturists.

Sir Cowasjee Jehangir: My Honourable friend has only got to go about with his eyes open. I am only talking of a certain class of people—the primary and secondary owners of land. I am not talking of those millions and millions of people who are on the verge of starvation. I am trying to get at groups of people who are doing better than they did before, and I am asking the Honourable Member to initiate and put into practice the principle that it is these people whom he should try to attack. It is from these people that he should take money by way of loans—not taxation—and only then will he be able to tackle in this direction the inflationary tendencies that are so evident in this country.

Mr. Muhammad Azhar Ali (Lucknow and Fyzabad Divisions: Muhammadan Rural): Is not land revenue taxed up to 50 per cent.?

Sir Cowasjee Jehangir: I could not catch the Honourable Member but, so far as I know, land revenue has not risen in any part of India.

Therefore, I would make a very bold suggestion. I know it will be most unwelcome to many parts of this House and many other people. I would suggest that the primary and secondary owner of the land...

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadan Rural): Will the Honourable Member please explain who a secondary owner is?

Sir Cowasjee Jehangir: I will explain. The primary and secondary owner of land should be made compulsorily to lend to Government every year twice as much as the land revenue.

Sir Muhammad Yamin Khan (Agra Division: Muhammadan Rural): No, then the primary owner cannot live even.

Sir Cowasjee Jehangir: The primary owner is the owner of the land; the secondary owner is one who has got a lease of the land in perpetuity or on long lease. He, therefore, gets the benefit, not the primary owner. In many cases the primary owner cultivates himself and therefore he gets the benefit. It varies very much all over India and it is difficult to speak in very accurate terms. I feel that the proposal I make is nothing new, but the time has come when the provinces must help the Central Government in this direction. It is in the hands of the provinces, and therefore the provinces must be made to wake up. Unless they whole-heartedly co-operate you will never tackle this question of inflation in this country as it has to be tackled, Sir, I do not wish to go further into this question. I could speak at some length but I want to curtail my remarks as far as I possibly can. I would ask again that this suggestion is seriously thought of, that the provinces be seriously tackled, and unless the Honourable the Finance Member does that with the assistance of the whole of his Government he may not be successful, as successful as he ought to be, in tackling these inflationary tendencies in the country.

[Sir Cowasjee Jehangir.]

I will now come to a subject which my Honourable friend, Mr. Chapman-Mortimer, touched upon and which I had down in my notes for reference. It is this question of evasion of taxes which is becoming a bit of a scandal. (Mr. N. M. Joshi: "Fine art.") Yes, it is a fine art truly. This question of evasion of taxes is a question which must now be publicly ventilated and this hush-hush policy on our part must stop. It is the honest man who suffers while the dishonest man walks away with all the profits. The more there is of evasion, the more will be the taxes piled up by Government.

The Honourable Sir Jeremy Raisman: Hear, hear.

Sir Cowasjee Jehangir: I believe that if every man today would pay his taxes fairly and honestly the Honourable Member would be in a position to reduce income-tax and super-tax by at least 25 to 30 per cent. I am making this very bold statement.

Dr. P. N. Banerjee: Over bold!

Sir Cowasjee Jehangir: . . . because I see money hidden away in nooks and corners in such fabulous amounts that I can hardly believe it. I may go one step further and say that evasion to this extent cannot take place without a certain amount of connivance on the part of the department. I know I am making a very serious charge . . .

Sardar Mangal Singh (East Punjab: Sikh): It is true.

Sir Cowasjee Jehangir: . . . but at least that can be remedied. I must tell the Honourable the Finance Member that his department is over-worked; that he is overloading it. In this very Budget there are provisions which will add more work for this department. The department is unable to cope with the work on account of war conditions and you go on piling more work on to this department and expect efficiency. You cannot do it. I think you should reduce the work or you should increase the staff, and in this case an increase of the staff will not be money thrown away. It will be money most usefully invested, for if you can have a better check, if you can have more expeditious methods you will gain ten-fold, twenty-fold, even hundred-fold more than the small expenditure you may have to incur in increasing your staff. I will be promptly asked where is the trained staff to be obtained? You cannot make an Income-tax Officer in a day. I realize that. But there may be men available in private life, fairly well known for their honesty, who may be temporarily employed in the department. If the Honourable Member only looks round he may find some. It is urgently necessary. You cannot blame the connivance as much as I would like to do. I feel there is another side to the question. You get men fairly poorly paid. You have sharks in this country who are ready to put down thousands on the table for a concession, thousands of rupees literally. After all, we are all human; let us not blame those who are in a worse position than most of us. They fall to the temptation, however honest they intend to be.

Mr. T. T. Krishnamachari: So pray that they should not be led into temptation.

Sir Cowasjee Jehangir: It is on both sides: I blame the sharks who tempt them. But it must be stopped. I do not ask for punishment; I ask for a remedy and if I believed only ten per cent. of the stories that are told to me I would be more alarmed than I am today. But there are many such instances. I have no doubt, and I will repeat that the more such instances there are the more shall we, who happen to be honest, pay, because the taxes must be piled up. Now, Sir, I will go to another point. I am moving rather rapidly from point to point.

There is one bright feature in this Budget. It is the setting aside each year from now onwards a part of the dollar accruing from India's exports to the United States of America, apart from and in addition to our current dollar requirements which are met from the Empire dollar pool. I congratulate the Honourable Member on this.

Dr. P. N. Banerjee: Better late than never.

THE INDIAN FINANCE BILL

Sir Cowasjee Jehangir: I had occasion to mention one of the contingencies that may occur with regard to our sterling balances in my Budget speech last year. There are two main contingencies against which we must guard: The first contingency is the depreciation of our sterling balances due to the depreciation of sterling *vis-a-vis* the dollar. That is one contingency that may occur, and a great deal will depend upon the agreement that will or is bound to come into existence between England and America. If England gets a fair deal and sterling *vis-a-vis* the dollar gets a fair deal, this contingency will not arise, but if England does not get a fair deal then sterling must depreciate *vis-a-vis* the dollar and so must our sterling balances. That is one contingency that we have to reckon against. The other contingency is that we must make sure that our dollar requirements after the war will be met to the full, and we shall not have to depend upon the charity of anybody for our dollar requirements. Of course we will have to depend upon the Empire dollar pool; personally I am rather anxious about the Empire dollar pool. Since 1931 this has been the system. Since the war broke out, our trade balances with America have been considerable. We should get full advantage of those trade balances. These are the two contingencies I would like the Honourable the Finance Member to guard against; I need not go further into details. He is well aware of these facts. Then, Sir, there is another contingency mentioned by my Honourable friend, Sir Abdul Halim Ghuznavi, and that is the tendency shown in the commercial press in England to make out that India has got the best of the bargain. I do not know if that is so. Personally I think India has had a fairly equitable deal. At any rate, I wish the Honourable Member every luck in future. I thank him for what he did last year; I wish him every luck in the future. We wish to take advantage of nobody, but we do want to see that nobody shall take any advantage over us. Sir Abdul Halim Ghuznavi, at any rate, did sound a note of warning. Personally I have no great apprehensions, but we must be wide awake. When you see a tendency of that sort in influential quarters, the time has arrived when we should be wide awake. But may I ask to what extent have we got these dollars set aside for us and will the Honourable the Finance Member and the Government of India see that the setting aside of these dollars is something commensurate with our trade balance with America. I would like some assurance on this point.

Now, Sir, I will touch very very shortly upon three aspects of the budgetary proposals. Firstly, I believe that the intention of the Honourable Member is that he shall place all companies and firms in the same position as they were before the war. He desires to take the whole of the excess profits in one way or another into the Government treasury. He takes a part by direct taxation. He takes the rest by way of deposits. He thus leaves companies and firms, or he intends to, I hope, in the same position as they were in the standard period, and let me point out that in a very large majority of cases the standard period was a time of depression. (The Honourable the Finance Member signified dissent.) Yes, it is so, and without the slightest doubt about it too. I repeat that the standard period was a time of depression when dividends were at a very small rate or none at all. I cannot speak for the whole of India. There may be exceptions. I have one or two exceptions in my own mind. Generally speaking, that is a fact. Therefore I believe it is the intention of Government to leave these companies in the same position as they were before the war and that they should not be able to give any more dividends than they did before the war. Now I contend that there are many many companies who will not be in that position. They will be in a worse position than they were during the days of depression or the standard period. I will give only one instance which is very common and runs through all companies. I will quote for the convenience of the House in very large figures, not meaning to say that all companies make these profits, but I take these very high profits to make the example more easily understood. I take a limited company with a profit of, say, Rs. 106 lakhs. I take the standard profit at Rs. 10 lakhs. The taxation for the company comes to Rs. 100 lakhs.

[Sir Cowasjee Jehangir.]

According to the present proposals Rs. 96 lakhs is the excess profits, Rs. 19 lakhs is the deposits, Rs. 17 lakhs income-tax and super-tax, making Rs. 100 lakhs. That company is left with Rs. 6 lakhs for distribution purposes. I said that the standard profit was Rs. 10 lakhs. That Rs. 10 lakhs after deduction of income-tax and super-tax in the standard period is reduced to Rs. 7,81,000. Therefore, in the standard period this company is left with Rs. 7,81,000 for distribution. The very same company under present conditions will have Rs. 6 lakhs to distribute, and over and above if that company decides to give the whole of the Rs. 6 lakhs in dividends that six lakhs will be reduced to Rs. 5,64,000. So against Rs. 7,81,000 that company will have Rs. 5,64,000. I believe, Sir, that this is the generality of cases. It may be argued that there is no reason why the shareholder should not pay his extra taxation. Dividends are generally given income-tax free. Therefore, it may be argued that the dividends should be a little less than they were before to cover the difference in the taxation between the standard period and today, which would be about 26 pias. That is an argument worth consideration, but you go much further. After you make the shareholder pay the extra taxation levied since the standard period, you go on to make him deduct from his dividends another anna, because he has the privilege of getting a dividend, that I consider unfair: considering as I repeat again that those standard periods were periods of depression. The cost of living has gone up. A large majority of these shareholders are middle class people. They have got to live. Everything again comes back to the cost of living. They have to pay more for their living. Surely they expect a little more dividend when the companies are making profits. But I won't give them the higher rate. I will give them the same dividend as in pre-war times. I will make them pay the taxation, but I will not punish them further. That is what the Honourable the Finance Member intends to do. Therefore, I suggest now that there are two remedies for him. One is to reduce 19/64 to 17/64 or at least to get rid of this one anna corporation tax on dividends which he proposes in the budget. I do not wish to go further into this subject because, as I promised, I want to be as short as possible.

The second principle in this budget is the principle of pay as you go. Now it has been very successful in England but may I point out to the Honourable Member that in this country there are arrears of taxation to be collected. I pointed that out in the last budget time. Your excess profits tax is in arrears by crores. I maintain that you are still in arrears by crores of rupees. You have not got your assessment for several companies for the year 1940-41. Your staff has not been able to cope with work and you talk about pay as you go. What on earth is the use of keeping in the hands of these companies as a whole crores of money of uncollected taxation and asking them to pay the small amounts due by way of taxation on profits for every three months? It is illogical. I cannot understand it. If you had collected all your taxation I could understand the principle of pay as you go, but you leave them with literally crores of money and then you say "give me a small amount of part of your three months profit". I do not see how it is logical in present conditions in India. After you have collected a fair amount of your arrears—there always will be arrears—then pay as you go is logical. At any rate my main point is that it will be a considerable burden on your department which they will not be able to bear under present conditions. I say that with the fullest confidence. You will cause assessee's trouble which is unnecessary. But the main point is that you will not be able to collect this money properly. Your department is not strong enough to do it. Therefore, I have another suggestion to make, which in my opinion, will bring in even more money into the Treasury than pay as you go, although theoretically my suggestion is not pay as you go. I would suggest this for the Honourable the Finance Member's serious consideration. The alternative method is that every assessee should be required to pay with-

out any notice of demand within one month of the close of the assessee's assessment year the amount of income-tax and super-tax either on the basis of his total income of the latest previous year, in respect of which he has been assessed, or on the basis of his own estimate. That means that as soon as a year is over the assessee of his own accord has to send to the treasury his income-tax on the year that has just been finished according to his own estimate, or according to his latest previous year's estimates. You will get more money by that than you will by paying as you go, and it will be less trouble to your department and less trouble to the assessee. There may be certain objections by certain people, who will say that they cannot pay the whole sum immediately. I have no sympathy with them. They had every chance of collecting the money for payment of income-tax and super-tax; no such argument should be valid from those who say that they cannot pay their whole income-tax and super-tax in any one year after making all those profits. Therefore, I would seriously suggest to the Honourable the Finance Member that he should give my proposal a fair consideration, and if he finds, as I believe he will, that he will get more money into the treasury than by his proposals, I trust that he will adopt it.

The final point I would like to allude to is with regard to clause 8 (a) of the Finance Bill. After a considerable fight in this House we obtained the concession that all borrowed monies by a company should be considered as capital employed in the business. It required some amount of argument, some amount of agitation, to persuade the Finance Department that this was a fair proposal. They accepted it. Now what they gave with the right hand they desire to take away with the left. They propose that any borrowed monies to pay income-tax or super-tax should not be considered as capital employed in the business. A company has its own monies employed in its business. It may be in raw jute, it may be in cotton, it may be in hides, it may be in any raw material, and you have to finance the manufactured goods until the time of delivery. And in these times there is a considerable amount of delay, considering Government usually do not take delivery for months after the goods are ready. If further money is required for such purposes and it will be in future after this taxation, the company has to go to the banks. What the Finance Member says is that you must keep liquid such monies as are due to the treasury by way of taxation and not employ it in your business but keep it completely liquid, idle, and then pay it up, and you may borrow as much as you like for your working expenditure. That is illogical. I tell you why. On the one hand, you are forced to keep money liquid; on the other hand, you are forced to go to the banks, you are not allowed to employ the liquid funds, because you may be called upon to pay it at any time to Government. But if you employ those monies for your working expenses and if you are called upon to pay to Government you borrow from a bank, it will not be taken by Government as a capital employed in the company. I consider this wholly illogical, and I consider that Government should note that their proposal will confer no benefit but it will work hardship to the companies. I may add one point that I forgot to mention, namely, that unregistered firms or registered firms are far worse than the companies, because they pay income-tax and super-tax on the slab system and, therefore, their case is worthy of consideration and I trust that the Honourable the Finance Member will give them special and sympathetic consideration.

I am still of opinion that there are a great deal of arrears with regard to excess profits tax, and that Rs. 78 crores that the Honourable Member provides is a most conservative estimate. I understand the Honourable Member's way of thinking. He wants something up his sleeve in case the expenditure goes up as it did last year. Well, I do not grumble. If expenditure is likely to rise which he cannot anticipate, it is his duty to see that he has some revenue up his sleeve, but let me tell him that I do believe that these 78 crores will be far exceeded. I would now like to have a definite statement from the Honourable the Finance Member as to what he means by deposits. I am aware of the press note of the 27th May, 1942, explaining the position of deposits.

[Sir Cowasjee Jehangir.]

but I would like to have a categorical statement from the Honourable the Finance Member that these deposits will be treated like any ordinary deposit, as a fixed deposit, and that no conditions will be brought in in the future when it comes to the time to repay those deposits. He will not contend that the company acted in such and such a manner and therefore he must cut off so much of the deposit. These deposits are pure and simple deposits, they are fixed deposits with Government, and there should be no difference between these deposits and fixed deposits with a bank for a certain period. I would like to have a categorical statement with regard to that.

Finally, Mr. President, I have to sound a serious note of warning. The Honourable Member has stated that he has under active consideration the possibility of an estate duty on non-agricultural property. (Interruption from Congress Benches.) Let me tell Honourable Members opposite that I am subject to death duties even now. I am one of those small communities that are subject to death duties to-day. Let me tell the Honourable the Finance Member that this is no new question and that it goes to the very root . . .

Mr. T. T. Krishnamachari: Pay as you die!

Sir Cowasjee Jehangir: . . . of the Hindu sentiment, that he will find more opposition in the country than he anticipates. I would warn seriously Indian Members of the Government not to rush in where angels fear to tread. (Interruption.) I know that the object is very laudable. He wants to do his bit for the rebuilding of the future India. That is his object he says. May I respectfully suggest to him that he should leave such legislation for those Hindu members of the 10,000 crore group when they come into power. Let them tackle such questions, and let the present Government, situated as they are, not fall into such traps. But let me, at the same time, when I give this warning, say that, if it is his intention to place such legislation for the consideration of this House, and for their unfettered judgment, if there is to be a free vote, there perhaps there is some argument for his doing so. A free vote of this House, of nominated and elected Members, and if he is prepared to take the verdict of this House as final and not use his power of certification in a matter like this, there may be some grounds for testing public opinion. But let me warn him that if he means to use his powers of certification in a measure of this sort, he will get into trouble such as this Government has never got into trouble before. With this note of warning, Mr. President, I thank you for the consideration you have shown me in having allowed me to speak.

Syed Ghulam Bhik Nairang (East Punjab: Muhammadan): Sir, the House has been listening to a most valuable and illuminating speech by my Honourable friend, Sir Cowasjee Jehangir, but I think the hard mental exercise which is involved in listening to speeches of that kind requires a little relaxation and some diversion and change of subject. On previous occasions during the Finance Bill debates and on certain other occasions, it has fallen to my lot to discuss a particular kind of subject which I find now must be extremely distasteful to a certain type of my Honourable colleagues in this House but I have to advert to subjects of that kind every now and then, owing to their vital importance. My Honourable friend, Mr. Jamnadas Mehta, whom I do not find here at the moment, two days ago gave an exhibition of a particular mentality on the floor of the House when my Honourable friend, Sir Muhammad Yamin Khan, objected to the constitution of the Defence Consultative Committee as waste of public money. Mr. Jamnadas Mehta took the objection apparently as a personal affront to him, although nothing of the kind was meant, because we are quite familiar with his claims to supreme wisdom. (An Honourable Member: "He is not here.") I have said that he is not here at the moment. We have never quarrelled with any kind of advice tendered by him to the Government or the Finance Member. In fact, from our point of view, he can every now and then indulge in thumping and counter thumping of the desk with the Finance Member. We have no objection to that but why should he have flown into a rage over that simple

THE INDIAN FINANCE BILL

remark of Sir Muhammad Yamin Khan and taken the line which he took in that matter? He could very easily have shown by means of facts, as he did try to show later on, that the Defence Consultative Committee has been doing useful work. In fact, another Honourable Member of that Committee, Mr. Deshmukh, did the same and in a cool, calm and collected manner he told the House about the work that the Defence Consultative Committee had been doing and tried to convince the House that the money spent on that committee was not after all waste of public money. But Mr. Jamnadas Mehta, as is usual with him, said that Sir Muhammad Yamin Khan had no *locus standi* to raise any objection on the score of waste of public money because his own Party had wasted a lot of public money over the Delhi University Amendment Bill. Now, Mr. Jamnadas Mehta knows and everybody in this House knows that the prolongation of the debates over the Delhi University Amendment Bill was due to the efforts which the Muslim League Party made to secure better representation for Muslims on the Delhi University and if it is not a crime for Mussalmans to try to secure better representation on a statutory public body like the Delhi University, there should be no objection. If the debates over that Bill took longer time than they would ordinarily have taken, that was due to the callous and obstinate attitude adopted by Government and to the hostility to Muslim claims shown by Mr. Jamnadas Mehta and men of his type. The thing rankled in his heart and he had to blurt it out at the first opportunity that he got. Now, looking at the fact that it is only two days ago that this incident took place, I felt some hesitation and feared that I might, by taking up the subject that I am going to take up in my speech today, wound the feelings of Mr. Jamnadas Mehta or some one else of that type but owing to the vital importance of the subject, I make no apology for adverting to it, beyond saying that my intention is not to wound the feelings of anybody. My sole object is to try to secure for Muslims a fair deal.

I am sorry that I do not find the Honourable the Home Member in the House at the moment because what I am going to talk about relates to him. I hope he will be here presently and I shall have the benefit of his attention to what I have to say. Now, Sir, four years and eleven days ago, on the 13th March 1939, my Honourable friend Dr. Sir Zia Uddin Ahmad, during the budget Session of 1939 moved a cut motion in this House to discuss Muslim representation in the services. The point raised was that the policy laid down in the famous Home Department Resolution of the 4th July, 1934, which aimed at securing for Muslims a minimum share in the services of the Government of India by reservation of appointments was being defeated by excluding from the operation of the Resolution a large number of posts on the plea that those posts are of a technical or special nature and by adopting other evasive devices. In the course of the debate which followed, the speakers gave facts and figures to show how the orders contained in that Resolution were being side-tracked and how justice was being denied to Muslims in filling posts by promotion. The Home Member gave a sympathetic reply and the motion was withdrawn. This was, as I have already said, on the 13th March, 1939, more than 4 years ago. Since then, the Muslims have been anxiously waiting to see the practical results of what the Home Member's speech on that occasion appeared to fore-shadow. No definite information has been vouchsafed to us as to what steps had been taken to ensure a proper working of the great Resolution of 1934, which Muslims who were already in Government service and the aspirants looking forward to entering into it were led to regard as their *Magna Carta*. The public at large and even the Honourable Members in this House are not in a position to know the exact state of things prevailing in Government Departments and offices and whatever they hear from time to time cannot serve as authentic information derived from authoritative sources on which any inference this way or that way could be based. Occasionally, we try to get information from authoritative sources but very often no information is given. Questions on the floor of the House are evaded; information is said to be not readily available and it is pretended that its

[Syed Ghulam Bhik Nairang.]

collection will involve an amount of expense, labour and time which would not be commensurate with the results obtained. Looking at this secretive attitude of responsible authorities, one is led to believe the stories one hears and cannot help drawing conclusions from those stories. Of course, we are not in a position to quote chapter and verse, but what appears to have been going on before and after the Home Member's speech in this House on 13th March 1939 was this: The Muslims had been agitating for several years prior to 1934 for securing fixation of proportions in Government service and about 1929 Government had started an inquiry as to how matters stood. This inquiry led the vested interests to scent an impending unwelcome development in Government policy. Forewarned is forearmed, and these vested interests diligently and cleverly set to work and reduced in the period preceding the Resolution of 1934 the proportion of vacancies which are ordinarily filled by direct recruitment. The convenient plea was found that plenty of graduates were available for posts in the lower categories who could subsequently be promoted to higher categories. This specious argument apparently looked as if it were advanced in the interests of efficiency, but the real intention could only have been to confine the Muslims to a low proportion of the comparatively lower paid posts. Several examples of this were some time ago given by my Honourable friend, Hafiz Muhammad Abdullah, as far as the North Western Railway is concerned, but the Railway Board, of course, took no notice of the evasions that were pointed out. By the time the Resolution of 1934 was issued, mischief had been done, and, if after the Home Member's assurance of 13th March, 1939, the Home Department proceeded, as we hear it did, to inquire from all Departments whether the proportion of vacancies filled by promotion in any service or grade has been increased since the issue of the Resolution of 1934, the inquiry could not meet the real requirements of the situation unless it were made with regard to a date much earlier than 1934, say, 1931, because the position of the vested interests had been consolidated and fortified for about four years in anticipation of the invasion which assumed the form of the Resolution of 1934. No extraordinary acumen is needed to realise that if the process of recruitment by promotion is carried too far, the representation of the minority communities will be reduced to a sham and a farce. One can imagine the representative and champion of vested interests saying to the Muslim aspirant for entering Government service something like this: To the higher categories and grades you can get only by promotion in due course; enter the lowest category; serve your term of probation and then get confirmed, unless it suits me to condemn you as inefficient; after confirmation, wait for years and years to work your way up if I permit you to do so and do not find it necessary for the benefit of those in whom I am interested to keep you down. Remember service is a ladder; get to the lowest rung and come up rung by rung. Of course, I am at the top and, unless I choose to push you down, you will one day get to the top.

It was thought that the Home Department was about June 1939 trying to find a way out and evolve a scheme which would be more equitable to the minority communities, but four weary years of waiting have lapsed since and not only no improvement has resulted but it is feared that the position has considerably deteriorated. In the matter of recruitment by promotion, the complaint has been that a Hindu gets promotion simply by reason of seniority when he happens to be senior and on the alleged ground of merit when a Muslim happens to be senior to him. And how is merit determined? By the opinion of the vested interests expressed at the time or from time to time as appearing from the personal files. The trick usually resorted to in order to deprive Muslims where there happen to be some is that owing to the absence of definite rules as to whether promotion will be by selection in strict accordance with merit or by seniority subject to fitness, if there is a Muslim who happens to be senior, he is passed over in favour of some non-Muslim on the ground of merit, while if a Muslim satisfies the merit test but

is not senior, he is not considered as he is a junior. Although lip service is paid to the principle of selection, in practice very few Hindus are deprived of promotion where they claim it on the basis of seniority, even mediocre men getting promotion on the ground of seniority. Selection by merit is always invoked when the senior man happens to be a Muslim. The criterion is varied according as a Hindu can be promoted on one or the other principle. It follows, therefore, that definite rules of recruitment should be framed for every service fixing the proportion of vacancies to be filled by direct recruitment or promotion respectively. Definite rules should also be framed laying down for every service and office where promotion from one grade to another or from a lower to a higher service should be made strictly by selection or merit or according to seniority coupled with fitness. Unless definite rules are framed and observed in practice, things will remain as they are because the 25 per cent. minimum laid down in the Resolution of 1934 relates only to direct recruitment and cannot by itself suffice to give Muslims their fair share in the services. Another principle which should be adopted and adhered to is that where vacancies are filled partly by promotion and partly by direct recruitment, the share reserved for promotion should be in no case more than 50 per cent. of the vacancies. In addition to the adoption of these rules and principles, there must be a capable Muslim officer of the rank at least of a Joint Secretary whose business it should be to see that orders about Muslim representation in the services are carried out and not honoured more in the breach than in the observance. Soon after the issue of the Resolution of 1934, the Home Department appointed a Special Deputy Secretary and the Railway Board appointed a Deputy Director in connection with the working of the orders. These posts which should have been made permanent were abolished after about three years. One single officer directly under the Home Department with sufficient staff recruited mostly from the minority communities will suffice provided the field of his activities is sufficiently wide. Four years is a very long time, indeed, for the results of the Home Member's assurance on 13th March, 1939, to become concrete and tangible. They say, official mills grind very slow, but they grind very fine. If what we hear is based on fact, then it appears the official mills in this case have ground very fine indeed because we learn that the Home Department is, after four years' researches and deep study, now proposing to make all posts, selection posts with the exception of the posts of ordinary Assistants and second grade clerks, and the class of second grade clerks is in course of abolition. Selection of course means selection of the best candidate available and this process gives unlimited latitude to the vagaries and idiosyncrasies, prejudices and predilections, likes and dislikes of the selection machinery. The Home Department was supposed to be the watch dog charged with the duty of guarding the interests of the minorities but it appears to have conferred complete autonomy on the various Departments and does not proposed to meddle with their affairs. Of course, Sir, as the proverb goes, when the Home Department cat is away, the mice in the other Departments will play. Isolated facts and figures reach us from all Departments of Government services and one can give a number of examples and illustrations although it is not possible to present a complete picture for the obvious reason that full information is in various ways denied and withheld. I do not know what to hope for and what not to hope for from the Government. But if the Government have any sense of duty, the observations which have so far been made and the suggestions which I have offered will suffice.

But the Government appear to be too much pre-occupied not only with war and the conditions created by war, but with post-war schemes and other matters of high policy. One example of such matters of high policy is the propaganda which is being carried on presumably under Government auspices for the establishment of a Supreme Court in India. The Chief Justice of India, as reported in the Press, appears to have been touring about and trying to create a public demand for such a court. The subject of a Supreme Court

[Syed Ghulam Bhik Nairang.]

in India is at once interesting and important. The genesis of the idea may very well be traced to the scheme of federation. During the Round Table Conference, one heard eloquent appeals for the unification of British India and Indian India. Most of the Round Tablers went into ecstasies over the prospect of a United India possessing a high status in the British Commonwealth and in the comity of Nations. The Government of India Act 1935 was the result which permitted the dismemberment of India by cutting off Burma and laid the foundation for the unification of British India and Indian India into one political and territorial unit. The Federation envisaged in this Act was to become an accomplished fact in the course of a very short time, but everything did not wait till that consummation had been achieved. Certain things became federal in anticipation of the dream materialising. One finds the Federal Public Services Commission, and the Federal Court functioning, whatever may happen to the Federation itself. The Cripps Offer which is authoritatively declared to be still open definitely discards the term federation, talks of the Indian Union and provides for the secession of members of that Union under specified conditions. But anyhow, as things at present stand, we have got the Federal Court, the constitution, functions, and jurisdiction of which are laid down in the Government of India Act, 1935, Part IX, Chapter I. The Federal Court is to consist of one Chief Justice and not more than six Puisne Judges unless and until the number of Puisne Judges is increased on the Federal Legislature presenting an address to the Governor General for submission to His Majesty. By section 204 of the Act, the original jurisdiction of the Federal Court empowers it to deal with and decide any question of law or fact on which the existence of a legal right depends in any dispute between the Federation, any of the Provinces or any of the Federating States, the jurisdiction in a dispute to which a State is a party being circumscribed by conditions laid down in the proviso part (a), sub-section (2) laying down that judgments pronounced by the Federal Court shall not be other than declaratory. The Federal Court has also appellate jurisdiction in cases decided by the High Courts when the High Court concerned certifies that the case involves a substantial question of law as to the interpretation of the Government of India Act or any Order in Council made thereunder. The appellate jurisdiction of the Federal Court can be enlarged by an Act of the Federal Legislature in such civil cases as may be specified in the Act subject to conditions laid down in section 206 of the Government of India Act, 1935. Section 200(2) contemplates the possibility of such Act of the Federal Legislature abolishing direct appeals to His Majesty in Council, either with or without special leave. Section 208 provides for appeal to His Majesty in Council from original or appellate decisions of the Federal Court under specified conditions. It follows from a consideration of these facts that the Federal Court is at present only a court of constitutional law and may under an Act of the Federal Legislature develop into an intermediate appellate court for purposes of appeal from certain decisions of the High Courts, which will be a judicial half-way house, so to say, between the High Courts and the Judicial Committee of His Majesty's Privy Council. But it is not contemplated by the Government of India Act that appeals to His Majesty in Council should be altogether abolished. Therefore, a very pertinent question arises as to what the conception of a supreme court is in the minds of those who are trying to influence public opinion in its favour and create a demand for it and what the benefit to India will be if such a court is established. We know that there is such a thing as a Supreme Court in England. Prior to the passing of the Judicature Act of 1873 there were the following Courts in England: The Court of Chancery, the Court of Queen's Bench, the Court of Common Pleas, the High Court of Admiralty, the Court of Probate, the Court for Divorce and Matrimonial Cases. All these courts were united and consolidated together by the Judicature Act of 1873 to constitute one Supreme Court of Judicature consisting of two permanent Divisions, (1) Her Majesty's High Court of Justice, and (2) Her Majesty's

THE INDIAN FINANCE BILL

Court of Appeal. After the Judicature Act of 1873 several amending Acts were passed and all these were finally consolidated and amended by the Judicature Act of 1925. By this Act also the Supreme Court consists of two permanent Divisions—His Majesty's High Court of Justice, and His Majesty's Court of Appeal. The latter court consists of the Lord Chancellor, the Lord Chief Justice of England, the Master of the Rolls and five Lords Justices. In spite of the high forensic qualifications, vast and varied experience and eminent judicial position of the judges constituting His Majesty's Court of Appeal, a further appeal lies to the House of Lords, and the ideal constitution of the appellate side of the Supreme Court of England does not stand in the way of the right of further appeal. What then is aimed at when we are treated to propaganda in favour of the establishment of a supreme court in India? Is it meant that appeals to His Majesty in Council from the decisions of the High Courts or the Federal Court as contemplated by the Government of India Act may be abolished? If this is what is meant, do the originators and supporters of the idea expect to secure in India the services of men of the attainments and calibre of the Judges composing the Judicial Committee of His Majesty's Privy Council? That Committee consists of the Lord Chancellor, the Lord President and ex-Lords President, six Lords of Appeal in Ordinary and such other members of the Privy Council as shall from time to time hold or have held high judicial office; that is to say, Judges of the Supreme Court of England, etc., and Judges of any High Court in India as are nominated by the King. Can the requisite judicial personnel be found in India, or will eminent and highly qualified men be imported at enormous expense from England? The only conceivable gain to the litigant will be a possible, not certain, reduction of the expenses of appeal and elimination of a possible danger to records of cases arising from war conditions. But litigants fighting for large properties or precious rights have never minded and should never mind a little more expense if they can secure consideration of their cases by an ideal judicial authority; and instances of loss of records have been few and far between. The upshot, therefore, is that this Supreme Court game is not worth playing. It may be that Government are interested in the establishment of a Supreme Court as one of the arguments which may be used later on to support Lord Linlithgow's discovery of geographical unity; and from that point of view the idea may very well be welcome to those advocating the cause of an Akhand Hindustan. If it is so, we Muslims have the strongest objection to the idea and its propagation. When we secure Pakistan, as we shall certainly do, we shall see what judicial system suits our needs, and Hindustan will decide for itself. In the meantime the *status quo* is amply sufficient for all needs and no change need be talked of or even thought of.

Sir, I oppose the Finance Bill.

Mr. Hooseinbhoj A. Lalljee (Bombay Central Division: Muhammadan Rural): Sir, before I begin my remarks on the Finance Bill I must admit that during the last four years our Budget, as has been pointed out, has increased four times. In fact, we acknowledge that the Finance Member has a very great and hard task and that during all these four years it must have caused him a lot of anxiety and worry. I remember the beginning and the difficult times of the war and the outlook at those times and in those conditions to contemplate what was going to happen was and I am to say still is a very great task. Therefore I congratulate the Finance Member on the way in which he has tried to carry on the finances of the country. There have been sharp differences of opinion about it and there will be still; but on the whole one has to take into consideration the time through which we have been passing and the time which is likely to come. And it is not an easy job to calculate all this. The last words in the speech of the Finance Member give in substance the position and the hope. He says:

"The last five years have witnessed changes of significance and magnitude which few indeed could have ventured to foretell as India has been caught up evermore irresistibly in the rapid stream of war conditions."

[Mr. Hooseinbhoj A. Lalljee.]

We agree that it is very difficult to venture to foretell the magnitude and significance of the position not only in India but in the world at large. Therefore the present position gives us some relief, a relief which we acknowledge in the fact that chaos has not yet taken place. I wish really that the last two lines had been more explicit and clear. It is only hope and that is what on which we have been kept living on. He says:-

"Who can doubt that she is destined to play a momentous part in the years ahead?"

Some indication of these would really have emboldened people like me who realise the great difficulties that we have to surpass and have surpassed. But I should certainly like him to tell us—if he has anything definite to tell

I P. M. regarding as to who can doubt 'that she is destined to play a momentous part in the years ahead, when the last great effort has been crowned with victory, and men turn again to the fruitful tasks of peace'.—Sir, soon after I read these lines, I also happened to read a statement made by Mr. Cordell Hull which lays down some of the things for which the United Nations are said to be fighting this war. Mr. Hull declared:

"that an international agency must be created which will use force if necessary to keep international peace. Force must come from a willingness of the nations to employ it when it is needed. The four-power declaration of the Soviet Union, Great Britain, the United States and China signed in Moscow last autumn will end the need for alliance, balances of power politics and other special arrangements common to international affairs in the unhappy past. Excessive trade barriers must be reduced and hurtful practices avoided."

Leaving aside for the present the other great issues, I should like from the Honourable Member to be enlightened on a very particular issue or question, viz.—excessive trade barriers, etc. Then Sir, I should like to hear from my Honourable friend, the Member for Indians Overseas, or some other Government Member, on the question which follows. Mr. Cordell Hull dealing with the question of colonial responsibility said:

"There rests upon the Independent Nations a responsibility in relation to dependent people who aspire to liberty."

I should like to know who are meant by 'independent nations' and 'dependent people' and which are those nations who are to exercise the responsibility laid down here. It does not end there. Mr. Hull added:

"It should be the duty on nations having political ties with such peoples of mandatories, of Trustees, or of other agencies, as the case may be, to help the aspiring people to develop materially and educationally to prepare themselves for the duties and responsibilities of self-Government and to attain liberty."

Sir, if this is really the intention and the substance of the Agreement which the Four Powers have signed and if Mr. Hull is right in what he says and if we can rely upon him, it means that these people have still in their minds 'mandatories, trustees, and other agencies'—I do not know what these 'other agencies' stand for. On the one hand they tell us—and we have always believed in that—that we are fighting for the liberty of the peoples of the world, and on the other hand they take upon themselves the duty of helping aspiring peoples—of mandatories, of Trustees, or of other agencies—to develop materially and educationally in order to prepare them for the duties and responsibilities of self-Government. Is this now clear? I would like to quote one more latest news which appeared with the above and it is dated 22nd March, 1944:

"Mr. Cordell Hull in an important statement redefining the United States' foreign policy called on all freedom lovers throughout the world to show themselves worthy of liberty by fighting for it. Mr. Hull laid down this programme to maintain order in the post-war world in the process of re-establishing International Order the United Nations must exercise surveillance over aggressor nations until such time as the latter demonstrate their willingness and ability to live at peace with the other nations."

I quite agree with it. But Mr. Cordell Hull further goes on to say:

"How long the surveillance will need to continue must depend upon the rapidity with which the peoples of Germany, Japan and Italy and their satellites give a convincing proof that they have repudiated and abandoned the monstrous philosophy of superior race and conquest by force and have embraced loyally the basic principles of peaceful process."

It only refers to peoples of these three countries. May I take it, therefore, that it is only that until Germany, Japan and Italy abandon the monstrous philosophy of superiority of race, that the war will go on. Does it not apply to others

as well; does it not apply to every one of us. This is what we want our Government to state clearly. What these Americans are telling the world in the name of the United Nations I insist must be clearly stated and set out in this House for the benefit of forty crores of people who from the beginning of the war have been fighting alongside Great Britain and the United Nations who have sacrificed the lives of millions of their people, who have suffered hardships and privations, who in every way have done their best to help the Allies in this war. We have done so much that we have now reached the stage when millions of our people are starving. When people in other countries were starving and were faced with difficulties foodstuffs were rushed to these from this country without thinking for a moment as to what would be our plight later on. It is no secret that during 1940-41 we made huge supplies to the starving Russia, Iran and probably Iraq also. There is nothing secret in the fact that we never looked ahead and never thought as to what would become of this country. My Honourable friend from the European Group pointed out the other day that from the very beginning of the war the peoples of United States and Great Britain were looking to their local needs and also war requirements, but so far as we are concerned we never looked into that. And now it is this very class of peoples, I mean, we, Indian, numbering forty crores, who demand that they should be told clearly and in explicit terms as to whether this war will go on only until Germany, Japan and Italy and their satellites repudiate and abandon the monstrous philosophy or until all the other people who have and are practising this philosophy also repudiate and abandon the monstrous philosophy of superiority of race? I will deal with this subject again.

Now, Sir, dealing with taxation in the first instance, let me tell the Honourable the Finance Member that he has to take into consideration what my Honourable friend, Mr. Jammadas Mehta, has pointed out—the present condition of the masses of the people and to what extent they can bear the burden of taxation. He has rightly pointed out that we have to take into consideration the material position of the people in different countries when we compare and consider our taxation. It has been well pointed out, and by many of the people in the House, that there is no doubt that some people in this country have made some gain in rupees, annas and pies due to this war, but those gains are really not at all so big as to bring about prosperity in the whole country. It is also a fact that so far as the people of this country are concerned, he will have to agree that nearly 80 per cent. of them have not had the benefit of the war nor of somewhat prosperous conditions prevailing in important towns, cities and in industrial circles. It has always been the weak point of the Government of India that they have always considered those classes of people who have been before their eyes as industrialists, commercial men, landlords and such like living in towns and cities which are so few but so far as the great masses of the poor people are concerned they have never thought of their real conditions of life.

During the last two food debates, we found that the Government of India had not reliable statistics of the produce of the country. Even when Dr. Gregory made his report he said there were no reliable statistics available. For all these years no attempt has been made to collect food statistics for the people. This has been the fate of great masses of the poorer people under the existing Government. If that is so, let us consider very seriously whether anything has been or could have been done which will raise any the least in all these years their standard of life. Their savings would hardly be such as to cause them to have at least two square meals. Sir, it has been admitted, and that rightly too, even by Mr. Amery now, that the food supply for the great masses of the people is not sufficient. Not even one pound of food grains per head has been the lot of the poor of this country. Often it has been said that the population is increasing and sometime back there were some who had the audacity to say that that was a sign of prosperity, little thinking that these people who were growing up in the world were not at all even healthy, sound and bold. It was awful to think that if these people of the various districts were to be made to stand shoulder to shoulder or side by side with people of other countries, they could ever be taken to be human beings brought up with that humanity and care which a civilized nation could demand of one human being towards

[Mr. Hooseinbhoj A. Lalljee.]

another. In this connection, we have got also to consider another aspect of the question. In this country the population is so great compared to its length and breadth as well as to its capacity for production and earning a fair living wage, that I do not think that in any part of the world have we got such a miserable conditions prevailing. Even then, Sir, what do we find? We find that Indians are not required anywhere outside India but that everybody outside India must have a place in the country. If really we were equal beings as the people of every other country, could it ever be suggested that those people, who are living in paradise in their country, compared with the people of India, living as if in hell in this country, would come to this country to live in hell? The only reason why they make bold to come here is that they get superior treatment and they can make money and because they get much more facilities than the people of the soil.

Sir, even after knowing this to be the condition of the masses my friend the Honourable the Finance Member pleads that the burden must fall on all shoulders—big and poor, strong and weak. Is there any comparison with regard to the condition of the poor in this country and that of any other country, even now when war has devastated many of those countries? I say it has been and it is even now worse than that. There is therefore not the least justification in saying so far as the people of this country are concerned, that the burden must fall on everybody equally, taking into consideration that 80 per cent. of the people have not enough of food, not one pound of foodgrains to live upon. Therefore, I do hope and trust that my friend, the Honourable the Finance Member will kindly avoid these words that the burden, so far as India is concerned should be put equally on all the classes of people. By all means go on increasing your income-tax, super-tax, surcharge, or whatever you like, but please for goodness sake do not say that any large majority of our Indian people are able to bear any more taxes, far less all these taxes that he now puts on.

I remember very well that when the Congress Government in Bombay wanted prohibition then a large number of people, very intelligent, very learned, and, in fact, a good number of foreign experts as well, said that unless you could provide some recreation to a human being in place of his drink, unless you could give the poor hard-worked labourer some respite after his hard day's work, some outlet for a little merriment, prohibition was cruelty and not advisable. A cup of tea, a cup of coffee, a little chewing of beetle-nut, a little *tamaku* and *hooka* to those whose income is not more than Rs. 60 a year is being grudged and it is said that the burden must fall on all the people alike. Or it may be said that the burden should fall upon everybody and everybody must be prepared to bear it. I know very well that during my travels I noticed that there was the heavy incidence of the *tamaku* tax and the coffee tax. When I asked the people about these things they said: Well, what is our income? Why shall we not pay these taxes? We can afford still more because if we want any more amusements, if we want even excursions, if we want any medical treatment, research hospitals for tuberculosis and what not, which are available to us, we must pay and besides it is the duty of our Government to see always with great care that our people are kept very healthy and wise. Do you do anything of the kind? When you want to preach your practice do you do anything of the kind? Therefore, my humble submission is this. I have had occasion, and also many of my Honourable colleagues will bear me out when I say that a little *hooka* smoking enables a large number of people to meet together and have a little chat over that *hooka*, or over the little tea party that they may give. They have no halls, they have no recreation grounds, they sit under trees and take a little *hooka*; they invite all poor mass of villagers to a *hooka* that is their party entertainment. That is the condition of the mass of the people. May I ask, even now whether the Government are prepared to agree to the proposal of total prohibition in this country specially of superior whiskies and the like? If you think that no recreation is necessary for anybody in the shape of liquor, then total prohibition can be advocated on that ground. I once more submit that little things like tobacco, *bidis*, *hooka*,

coffee and tea are an absolute necessity in this country for the well being of the people as it would give them a little much wanted refreshment and recreation, if refreshment and recreation has any appeal to civilised nations, if when recreation in all schools, etc., is compulsory. Salt duty was discussed even in the old Council when there were only nominated members, when great persons like Mr. Gokhale, pointed out that even four annas a maund would do harm to the people of the country, and that to go without little salt was injurious to the health of the people, was injurious to the health of the cattle. That was admitted by the Government, but still in those days the duty rose from one rupee to Rs. 3 and at times even to Rs. 3½ and later on it was agreed it should not be more than a rupee or so but the Finance Member thinks he is now entitled in these days to put on a surcharge and bring up even that duty as well although as I have said Government had acknowledged that the salt duty cannot be increased. If that is the position that was definitely adopted, and rightly too, then I submit on the same principle duty on tea and coffee and tobacco cannot be justified. As regards salt, I find that there has been a scarcity in this country. Attempts have often been made by Government and I know that the Finance Department is anxious to have more salt, but still they depend a great deal on foreign salt. May I ask why during this war period definite attempts are not being made to produce more salt in this country? I know there are some difficulties, but these must be overcome and facilities provided. If we create new industries, the Supply Department has very well organised so many new industries for the purposes of the war,—why has something not been done with regard to the production of bye-products from salt in this country? We hear very often from Bengal that there is a shortage of salt there. I do feel that something must be done in the direction of producing more salt and its bye-products in the country. While on this subject, let me tell the Finance Member that so far as certain salt works are concerned, especially in the Punjab, at Khewra, certain bye-products are being produced. I want to know whether the production of those products has been given to somebody as a monopoly, or whether the Government are going to carry them out as a Government enterprise. I should like the Honourable the Supply Member to tell us whether at the Khewra works which is managed by the Government they are producing bye-products and to what extent and whether those bye-products are available in the market and at what rates and profits, or, if that has been handed over to some people as a monopoly, then on what terms and under what conditions and what are the profits made? The salt mines belong to the Government and it is the duty of Government to ensure that the bye-products which are really heavy chemicals are needed in this country—the mining of salt and the production of the bye-products must be nationalised, or must at least be under the care of Government and should not form the monopoly of any syndicate or any company, and must be made available at reasonable rates. Even though the monopoly might be justified if it was for a short period, owing to this war, still, there should not ever be created a sort of permanent monopoly and it should not remain a vested interest of some syndicate or other for a number of years, likewise attempts should also be made that Match Industry should not become a monopoly in the interest of masses in India.

I now come to the Commerce Department. It has been often said, and I do believe it has been honestly said, that the Commerce Department of the Government is endeavouring its level best to promote the trade and commerce of the country for the last some years. But I should like to draw the attention of the Honourable the Commerce Member that, while we appreciate the desire, the inclination, the attempt that is being made by the Commerce Department to improve our commerce and industries during this war, as in other departments, they have sadly neglected our export trade in foreign countries. The Commerce Member is as anxious as anybody else that after the war they should have number of Trade Commissioners, if necessary, they might have some Consuls as a sort of subordinate officer to the British Embassy or Agents or Agent General, but I find that during the last two years the Commerce Department has not been so very careful or anxious in expanding our export business in

[Mr. Hooseinbhoy A. Lalljee.]

every direction as was the keen policy for a number of years, and that may be due to war or otherwise.

Mr. President (The Honourable Sir Abdur Rahim): It is now half-past one. The Honourable Member can continue his speech after lunch.

The Assembly then adjourned for Lunch till Three of the clock.

The Assembly re-assembled after Lunch at Three of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Mr. Hooseinbhoy A. Lalljee: Sir, I was speaking about the Commerce Department and I wish to say once again that for some years now in the Government of India a good deal of care and attention, and I may say, eagerness, has been shown for the development of commerce in this country. And I do wish, now that we are just going out of the war or the position has been such that we could safely say that we are now on a victorious path and more specially and particularly at a time when all the people in the world at large are seriously considering about their future trade, that our Commerce Department will also show the same keen anxiety, the same eagerness with regard to our trade and commerce. So far, we know definitely that all the countries which have been making sacrifices have been claiming, and probably very rightly, that for the sacrifices they have made they should have some reward. In fact, it is a claim made by all the nations that for the future development of their countries they must have sufficient markets and sufficient development of their industries and commerce. So far as this country is concerned, I drew the attention of the House to the very last two lines, very important, in the Budget speech of the Honourable the Finance Member, where he has really raised a great hope in us. I know it is impossible for us to expect, just as other people expect, some land some territory where we could expand our business. So far as we are concerned, I am afraid, we can never expect that some part would be given to us. Far less can we expect that we will get any sort of mandate over any countries or places. May I ask the Government to consider what will be the reward or at least the compensation for the heavy losses that our people have incurred in defeating the enemy, how will our activities be enlarged and in what sphere? The only thing that appears to me is that it will be a good thing if we are at least allowed to retain the markets we had established at great sacrifices in Africa and other places and we are not kicked out from there. *(An Honourable Member: "You want fair treatment?")* Yes. I want much more. No doubt every attempt will be made, in fact, it is made, by other nations and British Dominions to have spheres of influence, if I may use the word. Let us hope that none of our spheres of influence will be taken away, where we have them, where we have our little business now left to us as shopkeepers. No more does the word 'shopkeepers' apply to the great industrial and commercial people of England. It is we who may be called petty and small shopkeepers. We want that little business of ours may be maintained. I will just point out to you two instances which I hope my friend, the Honourable the Commerce Member, will bear in mind. First of all we have adopted the principle of issuing export permits on the basis of those rules that are prevailing in England and other places. Those in line must get their quotas to maintain their business. It is a quite equitable and fair way of looking at things but I must ask him to make some little deviation in that principle. I think he honestly believes that we must have room for those new industries and business which we have not established to help the war at some sacrifices. New business men have come on during the war and during the last four years. They have developed their business in those quarters where we were jammed. There are many parts which were actually starving and some are starving for many articles. The Eastern Group Supply Council people came over to this country in those troublesome times. They became, I may say probably

THE INDIAN FINANCE BILL

temporarily, our friends, became our experts and thus we were able to send to themselves more and more than we ever received anything from them. Now, Sir, is the time for the Honourable the Commerce Member to tell them --we have stood by you at critical times and when you had a very few friends and very few markets around you. Your own markets from where you used to get things were actually shut out. The policy, therefore, in all fairness and for what we have done should be adopted in those countries which should be such as to give an equitable treatment to the Indians. I again want to tell the Honourable the Commerce Member that the department of Commerce should not copy entirely the rules that are being adopted in England. They are well organised. Their list of exporters is so very complete. In their case, exporters means exploitation, it means everything for that country. The Eastern Branch of the London Chamber of Commerce is the powerful if not the most powerful body in the British Empire. What they want the British Cabinet will do. I have been in England. I have studied this. If the Eastern Branch of the London Chamber of Commerce wants a certain policy to be adopted in a certain colony or even in the dominions or any foreign states, the British Government must endeavour to carry that out. That is the position. So far as our Government is concerned, I know that they will do their best. Even the Finance Member and all the others will do their best but we know their limitations. So long as nobody interferes with them, they will do all they can for this country. Even if somebody interferes, they will do their best but we know that the predominant voice of the Master will prevail. I have worked as an Assistant and also as the manager of our firm of which I have become the partner. I know many instances in which I did my best but if my manager ordered me to do a certain thing, I have had to carry out the orders willy nilly. I am not trying to blame my Honourable friends on the Treasury Benches. We have got to take these facts into consideration when I am speaking seriously. I have been blamed by some of my friends for having welcomed the expanded Executive Council. Sir, I am proud of them. I welcome them and I still wish that they should remain there.

Seth Yusuf Abdoola Haroon (Sind: Muhammadan Rural): After all this.

Mr. Hooseinbhoy A. Lalljee: Yes, after all this. As a businessman I realise the practical position in which we are. I must appeal to them in order to strengthen their hands and I am sure the result will be good unless and until you are able to do something more substantial and something more powerful than what exists.

Seth Yusuf Abdoola Haroon: Your appeal will fall on deaf ears.

Mr. Hooseinbhoy A. Lalljee: I sympathise with them in their position and I appeal to them to be more watchful and careful in view of the position that exists now.

Sir, in the month of March last, the East African Government, the Tanganyika Government, the Uganda Government and the Kenya Government sent out their representatives to India. Their purpose was that they wanted to establish a Corporation most probably like the Great U. K. C. C. to deal in piecegoods first and later on for all goods. From the reports that we got then we put ourselves in contact with our Government, we were assured that our Government will not readily agree to what they desired but would help us. These gentlemen came to Bombay and flew over to Delhi and they came in such a confident way that they really created a stir in the minds of the businessmen in India and also in the minds of those Indians who were connected with East Africa and who knew the position of Indians there. The representatives of these four Governments came down to Delhi and they wanted to have the sanction of the Government of India or the goodwill of the Government of India in the Commerce Department to form at once a Corporation. It did strike me that we should at once seriously find out their intentions. Their intention was to keep business in their hands and to arrange later on as they like and to see that all the profit that was being made by different trade channels may be reduced to some extent probably in the interests of the consumer at

[Mr. Hoosseinbhoy A. Lalljee.]

present and even at present some profit should go to their Governments. I must admit, and I am not ashamed to own it, that in the Supply Department and in other Departments we did our level best to meet the requirements of our defence forces and we were led to believe that the requirements of the U. K. C. C. and Eastern Group were also as vital and important and their requirements were also to be met expeditiously and as economically as possible. We agreed to that and it is a fact that everything we purchased for the U. K. C. C. and Eastern Group in the first two years was through the Supply Department by tenders or negotiations or by the best marketable method at very reasonable marketable rates. Every indent that was placed was scrutinised by our Finance Department in the same keen and clever way as they do in the case of all the purchases for Defence that we made. Later on, it transpired that this U. K. C. C. was not only a British body or a national body but it has been trading in all those things that they had purchased in India, trading in the sense that they bought their requirements through our Government agencies and sold the same at high profits everywhere. They are buying directly now but during the first two years they did buy through the Government agency and it must be said that they did sell those articles at a good profit outside. When this was still going on Mr. J. H. McQuade representing H. M. East African Government, Honourable Mr. Stone, the representative of the Government of Tanganyika, Mr. C. J. Damala representative of the Government of Uganda and Mr. Mandalay, the representative of the Government of Kenya came down and thought they should also be so successful in working their contemplated Corporation. May I ask my friends on the Treasury Benches, especially my friend the Commerce Member, why are they not creating an Indian U. K. C. C.? I will give one instance. Only recently it was said that tea purchased in India by certain agencies is only provided with shipping space and they are allowed to be exported by that certain agency to Egypt, Cyprus, Palestine, Syria, Iran and other places. Tea which costs Rs. 1-8-0 per lb. here is being sold by them at Rs. 11-8-0 per lb. outside India. I have got the facts and figures with me but I do not want to place them before the House. I have got the figures of Egypt, Palestine and other places at which the U. K. C. C. has been selling Indian products and my Honourable friends of the Treasury Benches must know the price at which they bought in this country. Let them work out the profit. I admit I have been a member of the Supply Committee and I can say that every endeavour was made by the Supply Department, duly checked by the Finance Department, to purchase articles for our defence services and other purchases required as economically as possible. The same precautions were taken with regard to the goods that were purchased for the Eastern Group Council and for the U. K. C. C. At the present moment, it is said that the U. K. C. C. is not directly coming out. But again, I ask the Commerce Member to consider whether . . .

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): What can I do if you supply to the U. K. C. C.?

Mr. Hoosseinbhoy A. Lalljee: I am very sorry and it pains me to hear that the Commerce Member says that we supply to the U. K. C. C. I have admitted that we did not know that the U. K. C. C. was a business firm and that our Government was helping them for solid 2½ years without disclosing that fact even in the Supply Committee. We did not know that Government was purchasing at rock-bottom prices for that institution. At the present moment, the position is different. But my Honourable friend, the Commerce Member, should not only have drawn our attention and the attention of the country and the attention of the Honourable the Finance Member to it.

The Honourable Sir M. Azizul Huque: I am not a member of the Supply Committee.

Mr. Hoosseinbhoy A. Lalljee: I am only asking him that as a Commerce Member he should have done it. It is a matter of commerce, pure and simple in the first instance then of Finance and Supply Members.

THE INDIAN FINANCE BILL

Then, the Honourable the Commerce Member has got to give an explanation about another thing. We know very well that his Department has been working very hard to distribute quotas as equitably as possible but I submit the old monopolists will get them. The Honourable the Commerce Member has told us that he will try his best to help the new comers if he is satisfied about their *bona fides*. I give him credit for that. But then what about the allotment of shipping space? How is he going to help the Indian commerce there? It is not easy to get shipping space even in the ships owned under the Indian Register. It is said he has got no voice in allotting a space in the ship. If I am wrong, he will correct me. You encourage the new comer to do business; you help him with all your goodwill; and you give him the quota of goods also, but there is no carrier for him. I ask my friend the Honourable the Commerce Member if he is not entitled to ask his colleague the War Transport Member to help him.

The Honourable Sir M. Azizul Huque: For the last four months I have been going round the different provinces and a complaint of this nature was never brought to my notice.

Mr. Hoosseinbhoy A. Lalljee: Thank you very much. But I wish he makes careful and due enquiries. I am quite sure that so far as the allotment of space for export is concerned, I do not want to ring at the present moment the number of applications made and the allotments actually made to the different people, not for three months, not for six months, but for a whole year, and in some cases the allotment of space was nil absolutely. If only my Honourable friend will refer to his file, enquire of Indian Chambers and Shippers Associations he will find how many export permits have lapsed because shipping space has not been given. Surely you do not mean to suggest that at the present moment, when there is an opportunity to make some profit, when we find that foreigners who get space allotted to them regularly get goods for Rs. 1-8-0 and make a profit of Rs. 11-8-0 or something like that on that transaction, and surely you do not expect Indian businessmen to keep quiet. I hope my Honourable friend will do something to improve the serious position as regards allotment of shipping space. When these gentlemen come down here to Delhi, let it be said to the credit of the Honourable the Commerce Member and his Department that he did insist on the rights of the Indian people to trade with Arabia, Syria, and East Africa and South Africa, but he has not arranged shipping facilities. This is the first occasion I find of the attitude of the Government of India against the representatives of Colonial Office in a strong, upright and straightforward manner. This is the first occasion I see that the Secretary of State has not interfered in this matter in favour of Colonial Governments' representatives. All credit is due to the Commerce Member and his Secretary and the Department. These four gentlemen from East Africa Governments when they visited Delhi at the end of March 1943, I believe they saw first the Commerce Department Secretary and they were rightly and properly directed to get into touch with us, who were then in Delhi, that is, myself and my friend the President of the East African Shippers Association, at 3, Windsor Place. We told them clearly about the position of Indians there as also the opinion of the people in India and further that we would not make any shipment to East Africa if ever a Corporation was formed by them. Let it be said to their credit that they immediately agreed with our view and left for Bombay and as agreed in Bombay they entered into an agreement and this agreement was a remarkable document having been signed by (1) J. H. McQuade, Esq., representing His Majesty's East African Governments, (2) The Honourable Mr. R. V. Stone, representing Tanganyika, (3) C. J. Damala, Esq., representing Uganda, (4) Meshji K. Malde, Esq., representing Kenya, on behalf of East African delegation, with the Africa Shippers' Association represented by (1) the President, Dawood Hejee Nasser, Esq., (2) Tavabali Adamji, Esq., Vice President, (3) and (4) Amritlal K. Kanji, Esq., and R. B. Patel, Esq., Honorary Secretaries and (5) and (6) Ghulamhussein Moledina, Esq., and Ebrahim Maji, Esq., members of the Managing Committee.

THE INDIAN FINANCE BILL

Mr. N. M. Joshi (Nominated Non-Official): You put people in jail.

Mr. Hooseinbhoy A. Lalljee: There have been strikes in America during war, there have been, during war, strikes in Great Britain. Where is the public conscience or public sense of duty gone in those countries? You come and talk about public sense of duty only in India.

The Honourable Sir Jeremy Raisman: Strikes among colliery owners.

Mr. Hooseinbhoy A. Lalljee: Poor underpaid ill-clad as we are, you find no strikes here. I am proud to say that there is a real public sense of duty in this country. You say you will follow the old principle during war, that you will not make any changes, you will make no deviation, you will give no consideration to the conditions here in India, that you will give no consideration to the development of trade in this country. That is what pains me most. Under these conditions, how does it lie in the mouth of the Honourable Member to say: "Do you want those people who have recently come into the trade to make money and to replace those who are in the trade much longer?" I say, certainly we have the right to get much more part into the trade. You have given them five long years. Nobody can deny that they have made large sums of money. Nobody grudges them their profits during these past five years. It is not and cannot be said that they have become helpless or hopeless. All the same by all means do not stop them, keep them up and I am also for them and also I am for all regular business, but at the same time encourage new people. Do not follow blindly what other people say. They are interested. They have been well organised for years and they spent through their Governments crores and crores, their export and import means really their Government and please remember they are not a subordinate department of the Government as the Commerce Department is in this country.

Now, Sir, I come to the Supply Department. I find the Honourable Member for Supply is not present in the House.

Mr. Deputy President (Mr. Akhil Chandra Datta): May I draw the attention of the Honourable Member that certain arrangements have been made regarding the time-limit and according to that time-limit which he promised to keep within, he is really encroaching upon the time of other speakers?

Mr. Hooseinbhoy A. Lalljee: I was never a party to any time-limit. I was not a party to that arrangement. If somebody has told you that I agreed to some time-limit, I am not responsible for it. I should get my chance of speaking. Two gentlemen before me occupied more than one hour each. I feel I must have my say.

Mr. Deputy President (Mr. Akhil Chandra Datta): If the Honourable Member is not a party to that arrangement, there the matter ends. I cannot subject him to that arrangement.

Mr. Hooseinbhoy A. Lalljee: Thank you very much, Sir. With regard to the Supply Department I find the Supply Member is not here but I feel most the absence of my Honourable friend, Sir Yamin Khan. A lot is being said about the Defence Consultative Committee and the Supply Committee. I happen to be an unfortunate member of these committees for the last three or four years,—unfortunate because my friends consider that we have not been able to do anything. Sir, when millions of our people are fighting, when we are supplying crores of rupees worth of goods, when it is necessary for us to look after the interest of those of us who are in the fighting lines and also to develop our trade, commerce and industry, if those people who know very well the situation in the country refuse to take part and become members, I must say that they are not right in saying that those who have taken part have done nothing. If you are not a party and do not know anything about it, it is not at all fair that you should criticise those committees or your own members. The reports of the Supply Committee are not published but crores of rupees worth of business is placed before the Committee to show that they are transacted by tenders, by negotiations and by panel arrangements. I have not seen another department where in every instance of purchase the cost is worked out by an independent agency as in this department

[Mr. Hooseinbhoy A. Lalljee.]

which is the finance department. In every one of these purchasing departments in the Supply Department there are attached a number of financial advisers and assistant advisers who are directly under the Finance Member and not under the Supply Member or his Directorate, and I must add that this practice is also followed in Food Department. In speaking of corruption one has to consider all this. You have also to consider that there is an indirect check over these things. Every assessee has to place his books before the income-tax officer and the income-tax department is under the Finance Department; and although everything that comes to the Income-tax Department is marked private and confidential we know very well as businessmen that the Finance Department experts are the watchdogs of these Supply Committees. This is a sufficient check, but still I do say that people have made money. But there again you have to remember that if huge requirements are there far-sighted businessmen will surely make money as they will keep stocks in hand and not because the people in the department are corrupt; further it must be remembered that with all this care the department has to buy goods from time to time at the prevailing market rate when buying is made and those even then who have made profits owing to their foresight have to pay excess profits tax as well. Of course, in every big department, whether the Supply Department or a big business firm, there is some corruption here and there; that is part and parcel of business. I do not know if any businessman present here can say that in his office there is no *bucksheesh* or bribe; even a *chuprassie* has to be paid something. But if that is magnified I am sorry. But as one of those who have been serving on this Supply Committee, I do say that the business is done after having been fully checked by the Finance Department. Their costs are taken into consideration and in order to have from all parties at an uniform rate and to see that extraordinary advantage is not taken different panels have been formed. I wish the Supply Member or some other Honourable Member say that there is great corruption in the Supply Department or Food Department because people have made profits is hardly fair, let me tell you again people will make profits if they are far-sighted enough. The department is working very carefully and to my mind the check exercised by the Finance Department is a very salutary one, even then if my friends want to go into these matters I am not against that.

Sir, I should like incidentally to mention one thing which I forgot to mention when I was speaking about the Commerce Department. I should like the Commerce Member to consider the position of the seamen. I should like the one who is doing his level best in their interest and no one can take better interest in him and his assistants are busy in doing all that he can. But it is an acknowledged fact that in the last war and in this war the shipping companies have all made enormous profits. In the last war a company was sold for 12 lakhs just before the war started or in the first month of war and at the end of 1918 that company with its assets was worth one crore and 44 lakhs. I will give another case. A company on the Indian register when this war started had assets worth about 2 crores; now it is well worth four crores. All over the world shipping companies are making enormous profits. When the textile mill-owners and the mineowners are asked to pay more to their workers may I ask the Commerce Member, who I know is doing his level best, to insist on these companies who have made crores and crores to pay more to their seamen? What is the condition of these seamen? They have been very often torpedoed and thrown into seas and sails nowadays are liable to be torpedoed not only in the Indian Ocean but also Mediterranean and in the Atlantic and Pacific Oceans, and if there is one class of workers today who are exploited and paid much less than they deserve, it is the Indian seamen. Profits worth word about them is heard from Government.

An Honourable Member: What is their pay?

THE INDIAN FINANCE BILL

Mr. Hooseinbhoy A. Lalljee: I will not mention it; it is very poor. The mere mention of it will perhaps make the Finance Member say, "I cannot say anything about inflation here". I do wish that Government as such should work in such important matters as a team because I feel one member will not be able to stand up against these most powerful people as the shipping companies and the powerful British interests. The further trouble is that because these seamen are not well paid, the lascars in the Indian navy are also not at all adequately paid. The other day their condition was described by my Honourable friend, Sir Frederick James. I entirely agree with him. I being a little older member than he is do entirely agree as a member of the Defence Consultative Committee with all that he said with regard to the Indian army and navy; and all that I submit deserve the best consideration of not only of Government but also of the people at large. We are lucky, better off than many because of their sufferings and sacrifices; and I appeal to Government to work in the direction suggested by Sir F. E. James and in the direction I have suggested to the Commerce Member who, I know, is moving in the matter. I request him to ask these people frankly to show him what profits they have made. Sir, there are only two or three big companies on the Indian Register, but there are many on the English Register who employ Indian seamen and are regularly plying in this country and yet they are in no way under the Government of India; they are working absolutely independently of them; the Treasury Benches have absolutely no control on them. Probably now the War Transport Member will get up and say that the Special Officer or officers who allot shipping space on steamers on the foreign register are under him. I doubt it, and since no one will even now contradict my statement I am convinced that my observations in this respect are entirely correct, namely, that there are shipping concerns, in which some Government may be interested—let it be Great Britain or America, which are working absolutely independently and are exercising all the rights of allotting shipping space thereon and doing what they like. I want to know from my Honourable friend the Leader of the House, whether such instances have ever happened or could have happened in any other country that some outsiders can work in a country without any control or supervision of the Government of that country.

Sardar Mangal Singh: Is it U.K.C.C.?

Mr. Hooseinbhoy A. Lalljee: I will not give names; the Honourable Members on the Treasury Benches know too well, and they must explain.

Maulana Zafar Ali Khan (East Central Punjab: Muhammadan): Why do you hesitate to expose them?

The Honourable Sir M. Azizul Huque: Because he is speaking without facts.

Mr. Hooseinbhoy A. Lalljee: Well, you please rise and then reply on behalf of Government. I can tell you definitely that foreign shipping and even Indian shipping allotment is not at all under the Government of India. I know they have appointed an Indian as a Deputy Controller of Shipping.

Then, Sir, with regard to the Food Department I have only one observation to make and that is unless the Government are prepared to make a serious attempt to import fertilizers, tractors and other necessary agricultural implements and try and manufacture these in India as early as possible, it is very difficult now to meet the requirements of this country. As I have already pointed out earlier in my speech, we have exported a lot of our food while starving millions of people in this country and if today other countries are helping us a little or are prepared to help us, we are, I mean, our Government are expressing our gratitude to them even before we actually receive anything from them, although I know that the countries to whom we had been supplying foodstuffs did not even acknowledge receipt of those goods. We do not know where the goods were sent. Anyway, Sir, if we get something from Australia or Canada we will express our heartfelt gratitude for that, and I would ask my friends on the Treasury Benches to tell these people and those whom we have been supplying foodstuffs including the Americans that we have stood by them and now we are badly in need of food and they must come to our help. There are so many American troops in this country and that is all the more reason

[Mr. Hooseinbhoy A. Lalljee.]

that foodstuffs should be supplied to us. No doubt they have come to fight and throw back the Japanese but I will not agree if anybody says that the Americans and other troops which have come to my country have come to defend India. No, they have not. They have come to reconquer the countries which they have lost; let them not boast that they have come to defend this country from Japanese aggression. We can and we are prepared to defend our own country, but they have come for their own objective and should not assume the role of protectors and defenders.

Let me warn the Government that it was not fair on their part to hand over the Assam-Bengal Railway's management to Americans. Are we not able to manage our own affairs? If they can provide men why should those people not work under our command. If they cannot work under our command, what right have they got to expect our people to work under them? These Americans have been given certain rights: whatever rolling stock they want we are, it is said, supplying them and at our cost. I want to know from the Honourable the War Transport Member whether it is a fact or not that at their instance he has indented for 500 metre gauge engines and out of these 337 are going to be supplied to them for the Assam-Bengal Railway. Who is going to pay for these? After the war ends within six months or a year, who is going to bear this burden; it will mean nearly eight crores of rupees debt on the Railway.

The Honourable Sir Edward Benthall (Member for Railway and War Transport): We want locomotives.

Mr. Hooseinbhoy A. Lalljee: I know you want a few for whole India but certainly you don't want all these 337 for Assam-Bengal Railway. The total number of locomotives on this Railway is 205 and now you are arranging to supply them another 337. I have got some of these figures from the Administration Report of Assam-Bengal Railway.

Now, we come to wagons. You have indented for 11,000 metre gauge wagons for Assam-Bengal Railway. It is really and legitimately a war expenditure and this burden should not be thrown on the Assam-Bengal Railway, but as War expenditure incurred by Americans according to their War plan. And let me make it clear, Sir, that these and such are the adjustments we want placed by the American agency which is working our Railways and we have to see how much of it is a fair legitimate charge on the Railway or how much of these extra requirements are because of the war. We want these things to be explained and to be looked into always by the Finance Member and the Honourable the War Transport Member. If they have no choice but to hand over the Railway to others,—they have powers to keep a check, I believe,—and I must ask that they should not let the Americans bill against us; they should pay from their own pockets. Tell them, "Baba! if you want these things, have them, but pay for them also".

With regard to aerodromes, Americans have built many aerodromes in India and they have spent their own money. In some cases, the Supply Department and the Military Department have helped them to build after making careful enquiries as to the cost. It is true that they have paid for the cost of building aerodromes but what right have they on the land which they have used for their aerodromes. It has, it is said, adversely affected our interest and we had no voice in the matter. I am glad my Honourable friend, Sir Gurunath Bewoor, is here and perhaps he will tell us what right they have been made to confer on the United States people in respect of land which has been given to them for building these aerodromes. We hear in the Papers that they say that those aerodromes they have built that after the war they will have the right to use them. Surely the Posts and Air Department of the Government of India will give them all the facilities during the war, but after the war, let me make it clear that no foreign nation will have any sovereign right on even a little bit of India and India will see to that; this I say as I know my people all over the country are definite on this matter.

THE INDIAN FINANCE BILL

Sir Gurunath Bewoor (Secretary: Posts and Air Department). I have stated before, Sir, that no question of sovereign rights has ever been raised or admitted.

Mr. Hooseinbhoy A. Lalljee: I am very glad. But may I ask as a business man whether some vested rights have been given that after the war they can have the right to use them?

Sir Gurunath Bewoor: No, Sir.

Mr. Hooseinbhoy A. Lalljee: It has been said like that in the American Papers, and I am glad that my friend, Sir Gurunath Bewoor, denies it. That is the way to do it. Let the Americans know it. I hope that that is the right reply and I hope that Sir Gurunath is really giving that reply not only from his information but on behalf of Government and that he has also gathered that no agreement has at all been concluded behind his back. However, let me say usually, the American people will not make such mistake when speaking. I shall be very glad if really my friends in the Treasury Benches will definitely say that we will give all facilities during the war but after the war everything in our own country will be ours; no rights whatsoever to anyone after the war in this country!

I have still a lot to say to my friend, the Honourable the Commerce Member, with whom I have just made a little agreement to give him sufficient time as soon as I can.

Mr. Deputy President (Mr. Akhil Chandra Datta): What does the Honourable Member say; that there is an agreement?

Mr. Hooseinbhoy A. Lalljee: There was just now a talking agreement between us.

Mr. Deputy President (Mr. Akhil Chandra Datta): I am definitely told that there was some sort of an arrangement about time, under which sufficient time must be left for other gentlemen, and the Honourable Member has already taken more time than allowed to him.

Mr. Hooseinbhoy A. Lalljee: With due deference

Mr. Deputy President (Mr. Akhil Chandra Datta): No reply is necessary.

Mr. Hooseinbhoy A. Lalljee: I am going to use a little more time only with the object of saying that the agreement just now made by me with Commerce Member was merely in the form of a talk and since I shall have ample opportunities hereafter, I am concluding and I finally say that no doubt a great deal of trouble has been taken by the Finance Member to present this Finance Bill before us but we must be convinced against many of the items about which I have drawn the attention of the Honourable Members.

[At this stage Mr. President (The Honourable Sir Abdur Rahim) resumed the Chair.]

The Honourable Sir M. Azizul Huque: I am afraid I will have to rush through at the highest speed if I am to reply to all the points that have been raised. It is only fair that I should try to give the replies to the points which have been raised without entering at this stage on any discussion on a controversial plan. Sir, let me first take up the question of the export position. Our general policy in regard to export trade control has been to ensure that existing trade channels were not interfered with and to preserve the pattern of trade as it existed before the imposition of restrictions. Export is allowed to shippers who were in the export trade in the basic year, in many cases as in 1941-42. Hard cases are also considered on their merits. Therefore, the principle which we follow is that we find out what has been the export position of the shippers in 1941-42.

Seth Yusuf Abdoola Haroon: There have been new shippers also.

The Honourable Sir M. Azizul Huque: I am coming to that. At a time when export is considerably less than what it was, say in the years 1937 and 1938, it is extraordinarily difficult to drive out one shipper in the business to encourage another new shipper who is coming for the first time into the trade. Let me be quite clear. I do not think that my friend, Mr. Lalljee, if he had been in my position would have been able to turn out one of his old officers or assistants only to bring in a new one, because the new should be encouraged.

Mr. Sami Vencatachalam Chetty (Madras: Indian Commerce): Was the U.K.C.C. a new one or an old one?

[Sir M. Azizul Huque.]

As regards plants and machinery for the production of consumer goods, as I have said, last year and the year before the shipping position was so extraordinarily difficult; the seas were so dangerous, the U-Boats were operating in such a manner that I believe this question was not raised. But to-day we are looking into this question, and in fact, in the Industries Department we have already invited the industrialists of this country to inform us as to what their requirements are, specially in the post-war period. We have issued licences on a generous scale whenever they have been asked for. The shipping position is now better and we are considering as to what extent licences for new plants should be given.

It is difficult for me to give accurate figures of all the different kinds of machineries, but I can say this that we have issued licences for import of paper machinery, sugar machinery, cigarette machinery, textile machinery, jute machinery, and other machineries during the last six months and even in the present quota period. As regards chemicals, which are the basis of all industries, and specially of certain essential industries like drugs and medicines, very large quantities had been licensed and have been actually imported. Licences, during July to December only of 1943, for chemicals were over 7 crores—that was the amount for which licences were issued. From January to June of this year, up to date, we have issued nearly about $4\frac{1}{2}$ crores of rupees. We are doing our level best with a view to encourage the import of such chemicals as are necessary for the trade itself.

As regards the Imperial Chemical Industries, Ltd., I have not gone fully into the circumstances of this case. All I say is that it is in consistency with the present policy that licences have been issued, and about which I have given a reply to this House. For the time being we have got two duties to look to. One is that commodities come to this country, but thereafter we are to ensure that those commodities are distributed to the consumers at a price which is reasonable in comparison with the landed cost. For a country of 400 millions it may not be possible for us to perfect a machinery by which we can adequately deal with hoarding and profiteering in every commodity. There are certain commodities which we are allowing certain firms to import on terms as regards the distribution to the public. So far as the Imperial Chemical Industries is concerned, their actual distribution system has so far been such that it has to a certain extent relieved us of the responsibility of taking charge of distribution. We aim to do so at a later stage in conjunction with other commodities which we wish to bring under control. For the time being, these are the principles under which we are working. To any importer who satisfies that he has got an export licence and shipping space from another country to import any commodity, import licences are being issued. In other words, if an importer says, I have got commodity, I have got shipping space, we freely issue licences. We also do everything possible to issue licences for the import of drugs and medicines.

Mr. T. S. Avinashilingam Chettiar (Salem and Coimbatore *cum* North Arcot Non-Muhammadian Rural): How many such people are there, who are able to arrange such shipping?

The Honourable Sir M. Azizul Huque: It seems to me you are not in the business like myself . . .

Mr. T. S. Avinashilingam Chettiar: But you must explain it to non-business

The Honourable Sir M. Azizul Huque: There are quite a large number of businessmen who can arrange and do arrange in normal times. . . .

The Honorable Sir M. Azizul Haque : Yes, in normal times.

The Honourable Sir M. Azizul Huque: No. Even now.

Mr. T. S. Avinashilingam Chettiar: What is the number of people who are able to arrange shipping space? A vast majority of them are Europeans.

The Honourable Sir M. Azizul Huque: No. They are both Indians and Europeans and to my knowledge there have been several cases of Indian firms who

have told me that they have been and will be able to arrange for export licences at the other end.

To continue, we issue freely licences for drugs and medicines. We issue licences for goods not produced in India, machine tools, etc. The only thing we are trying to check is this. After all, even though shipping space may be available, it is much more restricted than in normal times and therefore at some stage or other we have to be circumspect and see that instead of importing luxury articles such as nail polishes and glass wares we might give permission for licence for such commodities as are of urgent necessity in the present day. Therefore, Sir, my reply to the ex-President of the Indian Chamber of Commerce is that we don't issue licences for cosmetics for the hill-belles of Assam.

As regards the question of import advisory councils, it is true that there is not an import advisory council for India as a whole. We have taken up that question from time to time. We have tried to find out as to whether it is possible to constitute an import advisory council for India as a whole but it is extremely difficult. First of all, it has to be on a regional basis. Bombay has a certain type of import. Calcutta has another type. Karachi has another type. Madras has got yet another type and therefore we have been for the time being trying to utilise advisory panels for different kinds of commodities. For example, in Calcutta, there are advisory panels for engineering stores and jute mill stores. In Bombay there is an advisory panel which deals with the requirements of textile mills other than jute and hemp. The War Transport Department has set up a panel for the articles it requires such as spare parts for motor vehicles from the United Kingdom. In regard to the tea machinery, the Deputy Chief Controller of Imports, Calcutta, has been acting in close consultation with the Indian Tea Association. For newsprint, there is an advisory committee now functioning in the Industries Department. There are other panels or advisory bodies. A panel for licensing dyes and for textile chemicals has been set up in Bombay recently and an advisory committee for the licensing of raw cotton was also set up last year. Therefore, wherever possible, we have been trying to consult the trade interests in issuing the licence. With our proposal to set up an export advisory council along with the advisory committees which are functioning, we feel that we have been consulting the trade and the interests concerned as much as possible. But we do feel that the time has come when the consumers' interests must also be looked to. In other words, when we are importing or exporting a commodity, the ultimate factor is the consumer whose interest has to be considered, and especially in dealing with the complicated price questions which are being discussed today. I can give this assurance that the question of constituting a consumers' council in which all such questions which affect the consumers may not only be brought up but actively considered is engaging our attention and I hope that very soon we may be able to announce the composition of a committee of this nature which will represent all interests and all provinces in looking after the consumers' interests as regards price and distribution.

Dr. P. N. Banerjee: Will that be a nominated body?

Mr. T. T. Krishnamachari: What does it matter?

The Honourable Sir M. Azizul Huque: I can assure my Honourable friends that all nominations are not bad and all elections are not good.

Dr. P. N. Banerjee: Still, in a democratic age, we stand for election.

The Honourable Sir M. Azizul Huque: I am functioning under a system in which I find it is extremely difficult for me to have a consumers' council for all over India. I am trying my best to make it as representative as possible. That much I can assure you, that I am trying my best to make it as representative as possible.

Now, I might say that in dealing with these questions of consumer goods, the licences are issued from time to time, and therefore, what is imported or exported at one particular time may not be the same the next period. As soon as we came to know that the shipping position is better, we tried our level best to get more consumer goods into this country and the quantity which we would have got, if we get the shipping space, would be worth about 60 crores of rupees. Unfortunately, the position is that we have to get these consumer goods

The Honourable Sir M. Azizul Huque: If my friend has patience I will deal with it.

Seth Yusuf Abdoola Haroon: You had new shippers also.

The Honourable Sir M. Azizul Huque: In that basic year, every one who was a shipper, new or old, has been given a quota. If after the basic year some extraordinary circumstances brought in new shippers, I am prepared to consider their cases. But do remember, that once you deviate, it will be open to so many controversies. Every new man will try to get in and many allegations will be made

Mr. Hooseinbhoy A. Lalljee: What about the new markets?

The Honourable Sir M. Azizul Huque: In Calcutta?

Mr. Hooseinbhoy A. Lalljee: The new markets that we opened out in Australia, New Zealand, South Africa?

The Honourable Sir M. Azizul Huque: I do not feel I can reply off hand to this point. I do not know, if my friend had any opportunity at a time when shipping space was not available for the goods we had to send beyond, that he had been able to open new markets whether in Australia or elsewhere, which does not matter.

Mr. Hooseinbhoy A. Lalljee: Australia has become a new buyer for us.

Mr. President (The Honourable Sir Abdur Rahim): Order, order. The Honourable Member should not go on interrupting like this.

The Honourable Sir M. Azizul Huque: Every bit of this buying in war conditions is controlled by the Government of the country, and if the Government is already there. I will be glad if India can have all the markets round about India immediately after the war, and I am quite prepared to consider the question as to what should be done with a view to take that step.

Some criticism has been made as regards the export advisory council. This was constituted in May 1940 with representatives of trade and commerce. The committee met five or six times. The last meeting was held in January 1942. But thereafter, Sir, the whole picture of the export trade was changed. There was very little export owing to abnormal conditions existing in 1942 and 1943. My friend knows the then insurance rate from Calcutta to Bombay. My friend knows the then insurance rate from Bombay to London. It is easy today to criticise us saying, why didn't you continue these things in 1942 and 1943. Thanks to the Allied armies we are now in a position to consider the export trade which we were not in a position to consider in 1942 and 1943. Therefore, for 1942 and 1943 these advisory committees had practically no function. The sudden change in the war situation has brought about a corresponding change in the trend of the export trade and here Mr. Lalljee will remember that I am keeping note of the new markets which are being opened and which are going to be opened

Mr. Hooseinbhoy A. Lalljee: Thank you very much.

The Honourable Sir M. Azizul Huque: . . . and in order to do that, long before the discussion in this House, I had initiated a proposal to reconstitute the export advisory council. We are consulting the Chambers of Commerce in the different parts of the country and I hope that very soon the Council will be re-constituted on a new pattern.

Somebody raised the question that the export of mother-of-pearl buttons had been prohibited. Up to the end of December 1943, these buttons were permitted to be exported by shippers on the basis of the exports made by them in 1941 and 1942. But exports were very small. Still certain quantities were allowed. Subsequently we were advised by the Supply Department that buttons of all sorts were in extremely short supply within India, so much so that some of the essential requirements had to be imported from abroad. In view of the fact that we had to import buttons for the defence requirements in the Supply Department, we thought that it was no use allowing our buttons to go to Ceylon and Africa and getting the same things with the difficult shipping position from abroad, and the export of mother-of-pearl buttons had, therefore, to be stopped

completely. I completely contradict the fact that licences are given to European firms up to 90 per cent. of the quota figures. This is not correct. 4 P.M. The export trade of the country to a very large extent has been in the hands of Indians in Bombay, Calcutta, Karachi and Madras.

An Honourable Member: Who said this?

The Honourable Sir M. Azizul Huque: Somebody said. Whoever has done business in that basic year is receiving that quota.

As regards the U.K.C.C. about which my Honourable friend put a question, I think I have answered several questions in the House. We have issued a press communique, we have contradicted every statement that has been made. We have replied to the Chambers of Commerce organisation. I sometimes remember the famous lines—*invention is exhausted, reason is fatigued, experience has given judgment, but obstinacy is not yet conquered*. In any case I will say this much, that I have placed all the facts about the U.K.C.C. and even then if people are not

Mr. T. T. Krishnamachari: Facts that were within your knowledge.

The Honourable Sir M. Azizul Huque: Yes. I am not gifted with prescience to know things in the astral regions. All I say is that even then we thought that the trade organisations are not yet satisfied, and I have just invited—in fact, a letter is being issued, orders were passed some time before, inviting representatives of some Chambers of Commerce who addressed us, to sit at a table with us and let us know the facts on which we can discuss the questions about the U.K.C.C. I can assure you that, even though we are for the time being in the Treasury Benches, we yield to none in our desire to see that Indian trade and industry prosper. It is a cruel tragedy in Indian life that an Indian in charge of the Department is charged with an accusation that he is not true to the interests of India. It is a tragedy that we have to witness, and I cannot say anything more. (Interruption.) It was said that the U.K.C.C. had a monopoly of the export of hides to Turkey. The U.K.C.C. have no such monopoly. The exports are taking place through normal commercial channels. It is true that certain complaints were received by us from the exporters in India that they were experiencing difficulties in obtaining declarations of ultimate destination from certain consular offices outside India with reference to the export of this hide. We issued necessary instructions as soon as we heard about it and we have issued letters to the consular offices that such certificates should be given. At present there is no impediment to the operation of the normal commercial channels in export of hide.

My Honourable friend referred to licences Nos. 114 to 118 issued by the Karachi Export Trade Controller, but subsequently cancelled. I do not know how these licences have been issued because private export of tea was prohibited with effect from the 15th December, 1942. I am making an enquiry into the matter and at a later stage if a question is asked I shall be prepared to answer that question.

Next comes the question of the import policy. A programme of India's essential requirements of goods of all kinds is prepared in advance for each six-monthly shipping period after consultation with all the departments of Government interested. Generally speaking, the test of essentiality applied is that goods are either required for war effort or for maintenance of the civil population in war-time conditions. Licensing, again, by import trade control is done on a quota basis, and quotas are fixed by the Chief Controller of Imports.

As regards consumer goods not produced in India,—reference was made to watches, for example,—our policy is to issue licences on a generous scale. It was at the instance of the Government of India that we took special steps as soon as the shipping position was better, to request the Secretary of State and H.M.G. to see that more consumer goods come to this country. As regards watches, may I give this information, that the value of watches for which licences were issued in July to December, 1943, namely, in six months, was Rs. 30 lakhs, and in the current year we have issued licences to the extent of Rs. 35 lakhs. Therefore, it is not correct to say that we are not doing our best to see that goods which are required by the people are imported.

[Sir M. Azizul Huque.].

from other countries and unless the supply position there or the productive position there is such as to permit us to get these things and unless we can get all the shipping space we want, the position may not materially improve. We have been sometimes asked as to why we have been issuing licences. All I say is that it is merely an estimate as to what might be imported into this country during the next period of a year or so. But in any case, we have to work under various difficulties. One difficulty is the shipping difficulty. I wish India had shipping of her own, which would be able to run in the blue waters. (An Honourable Member: "Oh, oh".) Whatever your opinion might be, I yield to none in my desire that India should have a mercantile marine of her own.

Mr. T. T. Krishnamachari: That is a pious hope.

The Honourable Sir M. Azizul Huque: Piety is sometimes more of a virtue than mere negation. But that is not the position today. When my friend will be able to find that the position is better, I will certainly yield to none in my desire to do something at this end also, but the shipping is not at this end. The shipping is either in America or with His Majesty's Government. War is still going on in Italy. War is still going on in the Russian Front. War is going on in the Pacific waters and it is not reasonable to say to them—whatever might be your war situation, you must give space for all the consumer goods that we want in this country. There is the non-availability of the goods. My friends may or may not know that the production of industries in normal times is not the same production today in U. K. During my last visit to England, I went to a place, and I was told that near about that place there was a factory for treating a certain kind of fish and I was told that 95 per cent. of that factory has been converted for munition purposes. If you look at the conditions of factories in England, you will find that a very large percentage of it is now used for defence production. A very small percentage is kept for civilian goods. Take for instance, crockery. Even in England, you will not be able to get crockery of the kind that you might get in Delhi. I went about London and could not find a single one, except utility ones. Once I tried to purchase a fountain pen in London and I could not get any. That is the state of affairs in England. Therefore knowing that fact, it is not possible for us to say that you must send out so many Fountain pens or so much crockery. (An Honourable Member: "We do not want that".) At the same time, the things which we have been trying to import are really commodities which are to some extent essential. For example, as I have already said, we want printing paper, writing paper, match paper, stationery, hand knitting wool, wool fabrics, hosiery, razor blades, cutlery and things of that kind.

An Honourable Member: Whisky.

The Honourable Sir M. Azizul Huque: Of course, whisky to a certain extent also, because I have to cater to friends like you. I have sometimes to do that. Similarly, there have been other articles, such as, acids, medicines, leather manufactures, motor car spares, cycle spares. Then we also want certain spare parts for umbrellas because there is a big umbrella industry in this country which depends on spare parts from abroad. We have been trying to get those spare parts. We have been trying to get spare parts for all small industries. But, as I said, these whiskys are not directly imported by me. If my friends in the trade only want a licence, we cannot stop it. But I know this much that last year, about four or five months after I assumed office, I got hectic letters both from Indians and Europeans from different parts of India that there is no whisky in the market and will you, for God's sake, issue some licences?

Dr. P. N. Banérjee: Publish the names.

The Honourable Sir M. Azizul Huque: I wish I could publish all the names of the people who come to me.

Then, Sir, my friend told me that we have not been trying to help industries as much as we should. This complaint came to me from my friend, Mr. Ram Ratan Gupta. Now, we owe a debt of gratitude to Mr. Gupta and his concern for starting an aluminium concern in India.

THE INDIAN FINANCE BILL

Mr. T. T. Krishnamachari: It is not his concern now.

The Honourable Sir M. Azizul Huque: He started it. It is not proper for him to say that we have not done anything for him. When this factory was started, they wanted exemption from custom duties as a special case and the machinery and the equipment had to be imported in October 1942, within six months. In order that the industry may be started, he wanted that all duties on machinery and equipment for that factory should be exempted. We not only did that but as the articles could not be brought within six months we extended the time in order that all the articles which were ordered for the establishment of that factory might come to this country duty-free.

Mr. T. T. Krishnamachari: Extension is ordinarily given automatically.

The Honourable Sir M. Azizul Huque: I thought the Honourable Member was speaking about the first part and not the second. If my Honourable friend the Finance Member were here, he would have told him that exemption from duty is not granted so automatically. This is an exceptional case but we felt that aluminium is a concern which ought to be encouraged in India in the interest of the future of India.

Mr. T. T. Krishnamachari: Do they manufacture aluminium or alumina?

The Honourable Sir M. Azizul Huque: They are thinking of producing also the alumina at a later stage.

Sir, I do not think it is necessary for me to reply to the points about the industrial research. All I would like to say is that with the Council of Industrial and Scientific Research a considerable amount of progress has been made. Government originally granted 10 lakhs of rupees as annual grant.

Mr. Amarendra Nath Chattopadhyaya (Burdwan Division: Non-Muhammadan Rural): Will the Honourable Member give us some details.

The Honourable Sir M. Azizul Huque: I have got the full details but I have no time to mention them here. I can place them before the Honourable Member and he can read them. All I can say is that valuable work is being done and already with the 10 lakhs of rupees and the munificent contribution from Messrs. Tata's we have been able to make a good headway with the glass research station and the fuel research station for which 10 lakhs have been provided. Then, we are trying to have a national physical and a national chemical laboratory as well as a metallurgical research institute very soon and we hope that in the course of this year complete planning of all such laboratories will be possible. Quite apart from this, Honourable Members must remember that we have not been satisfied by merely doing that. We felt that the time has come when there must be a co-ordinated planning of industrial and scientific researches for India as a whole. India's future depends on the extent to which she can industrialise on modern scientific lines. For that scientific and technical assistance will be very much needed. My friends may know that already a Committee under Sir Shanmukham Chetty with Mr. J. J. Gandhi, Col. Sokhey, Sir S. Bhatnagar, Sir J. C. Ghose and others is sitting and the report of the Committee will be out within the next three months as to how further industrial research in this country can be carried on, to co-ordinate the activities of the Universities and to plan ahead the future industrial and scientific researches in this country.

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): Have you accepted the recommendation of Sir J. C. Ghosh? He wants an annual grant of 25 crores of rupees for the promotion of industrial research.

The Honourable Sir M. Azizul Huque: We have also got a plan of 10,000 crores. As compared to that, 25 crores is a small matter. Sir J. C. Ghosh is a member of that Committee and for the purpose of future planning he has a full right to discuss this matter in the Committee. If a recommendation comes to that effect, I shall certainly be prepared to consider it on its merits.

Mr. Akhil Chandra Datta: The recommendation is already there. He has made it.

The Honourable Sir M. Azizul Huque: But that is the recommendation of Sir J. C. Ghosh personally. I have appointed a Committee consisting of Sir J. C. Ghosh and other scientists.

[Sir M. Azizul Huque.]

- (1) The *Economist*, which is now called the *Eastern Economist of Delhi*.
- (2) *Burma-Nadu*, which is connected with evacuees from Burma.
- (3) *Mazdoor* of Calcutta devoted mainly to work among industrial labour.
- (4) *Polak W. Indiach*, for Polish refugees—fortnightly—a very small paper.
- (5) The *Utkalika*, a monthly of Orissa published in Cuttack.
- (6) The *Indian Journal of Horticulture*, which had been given at the instance of the Agricultural Department of the Government of India.
- (7) Then there is another Maharashtra paper in Bombay which was very strongly recommended for circulation among Indian troops overseas.
- (8) *Paigham-i-Sarhad*, paper consumption limited, but it was recommended by North-West Frontier Province.
- (9) A quarterly journal of Arobindo Library, paper consumption only 20 reams.

(10) The *Indian Patents and Designs and Trade Marks Review*, a monthly of Calcutta, consumption only a few reams. My Honourable friend Mr. Chapman-Mortimer, knows that even a paper like this for which there is no other journal of its kind in India permission was refused, and it was only after repeated requests and because there was no other paper of that type and it is because Indian Patents and Designs have come more and more into prominence that this paper has been given permission.

The *Orissa Review* which is a magazine issued directly by the provincial Government; then there is *Shiksha*, a monthly in Lahore and the *Andhra Mahila* devoted to the uplift of Andhra women.

These are the papers which have received permission for using paper other than newsprint. As regards newsprint, it is definitely according to a quota principle which is fixed in consultation with the Advisory Committee, which is constituted of newspaper proprietors and editors.

Sir, I have been asked questions here for some time about communal percentage. All I can say is that I am satisfying myself that in so far as the Commerce and Industries Departments are concerned, there is an adequate percentage of Mussalmans in the various services. And even though I am not fully satisfied that Mussalmans have been employed in adequate number everywhere, generally speaking, efforts are being constantly made to do so. Some of our offices are located at Calcutta, Bombay, Karachi, Peshawar and other places and it is not always possible, where there is a small office of three or four people, to keep strictly to the communal percentage. But generally speaking I shall be able to satisfy that this percentage is kept up. A complaint was made the other day that in the offices which are under the Commerce Department in outlying places, such as the Export Trade Controller's office, such percentage is not observed. I had to send for these figures and I might give the information that out of a total number of 90 assistants in the upper division and lower division, as many as 39 are Mussalmans in this Export Trade Controller's office. Similarly I was asked by several Honourable Members about the Cotton Textile Directorate. I am particularly anxious that in this department Muslims should be adequately represented in the higher ranks; and I may say that out of officers though the percentage according to the Bombay ratio should have been less. We have introduced in our department a system of getting regular information as to the percentage of Muslims and the percentage of other backward communities to see how many vacancies are there and how more appointments can be made.

Sir, I have only to refer to two or three other points. The first is the question of Indian seamen. I can assure my Honourable friend, Mr. Lalljee, that for the last two years I have been studying this question both at London and at this end. It will be my earnest endeavour to see to the betterment of the conditions of Indian seamen both as regards wages and also their working conditions. I have already taken up that matter and in fact I can say that

THE INDIAN FINANCE BILL

It is no longer a secret that one of the reasons why I had to come out to India was to represent the question of the Indian seamen's conditions as regards working hours and wages. But I do not agree with Mr. Lalljee that the shipping companies have not been sympathetic. I myself went from port to port in England to see the condition of the Indian seamen. It was not satisfactory. But I can say this that the British shipping companies, after I brought the matter to their notice, have been most anxious to provide the best of amenities and facilities for Indian seamen in the different ports. And I can testify without any contradiction from any one that they were most helpful in seeing that all the amenities that were possible for them to provide within their power were provided in all the important ports within the United Kingdom where Indian seamen have to stay. I am personally looking into the question of amenities for Indian seamen within India. I am not able to make a statement at this stage because my inquiry is not complete, but I am not yet satisfied that the amenities in Indian ports are all too satisfactory. I can say this much that the question will receive my anxious consideration and I do hope that sooner or later, sooner, I hope, than later,—it will be possible for me to announce to the House that some ameliorative measures have been taken in this direction.

As regards the jute price I can say this only that we have conferred the greatest boon possible,—a boon which has been demanded by people of all ranks for the last 20 years,—by the steps which we have taken, namely, fixing the minimum and maximum price and ensuring that every bit of jute which is produced is purchased by Government if necessary. There has been some criticism as to why the price between the minimum and the maximum is so small and why the margin is not wide. Ordinarily one understands that the minimum must be low and the maximum must be high. But obviously again to benefit the cultivators, we did not want any middlemen to operate and hold on by getting the jute in order that they may sell it later on at a higher price.

An Honourable Member: Does that help?

The Honourable Sir M. Azizul Huque: I have gone from village to village in Mymensingh in order to restrict jute cultivation and I can say with a clean conscience that this is the biggest benefit that we can confer on the jute cultivators.

Sir, I will not take any more time; I will not enter into the political controversy. I shall not enter into the question of why we are here or why Government is continuing as it is, because it is very difficult to enter into questions like that. But let me conclude by saying one sentence. So long as any Indian feels that another Indian is not his brother but a traitor, other people will rule this country. So long as every man outside one's party is considered a traitor and not as good a citizen as a member of that party himself, there can be no political solution of the vexing problem which is baffling us today. The history of the past has repeatedly shown it. I can say this that even though we may not for the time being be able to ally ourselves with the different political parties or groups in the country, the interest of India is as dear to us as to any one else who may sit on the Benches of this House today.

Mr. S. C. Chatterji (Nominated Non-Official): Sir, I have very little in common with the Honourable the Finance Member. I have never been a pick-pocket, and I have never handled large sums of money; any figure extending beyond four digits confounds me and leaves me puzzled. I shall, therefore, leave figures severely alone. It is customary to mention facts in the same breath with figures. But I submit, Sir, that even though one may have no head for figures one might have a fairly lively sense of facts; and I claim to have such a sense for facts. I endeavour to be a realist in politics, as I have always been in my own pursuit of philosophy. The biggest fact, to my mind, in the present situation is the fact of war, and it is in the light of that stupendous fact, beside which every other fact pales into insignificance, that I view the financial proposals before the House. I also believe that India is not only a participant in the war, but that India is vitally interested in bringing this

[Mr. S. C. Chatterji.]

LEGISLATIVE ASSEMBLY

[24TH MAR. 1944]

men are not even politically minded, and therefore, Sir, I believe that if the Members of this Executive Council will continue to do their utmost to prosecute the war to the best of their ability, if they would even during the war lay plans ahead which, when peace comes, would make a happier and a better life possible for the peasants and the workers in this country, I believe, Sir, that even though they may not be able to make any claim to the political leadership of India, they will have established a claim to the moral leadership of the peoples of India.

The Assembly then adjourned till Eleven of the Clock on Monday, the 27th March, 1944.

LEGISLATIVE ASSEMBLY

Monday, 27th March, 1944

The Assembly met in the Assembly Chamber of the Council House at Eleven of the Clock, Mr. President (The Honourable Sir Abdur Rahim) in the Chair.

STARRED QUESTIONS AND ANSWERS†

(b) WRITTEN ANSWERS.

RACIAL TROUBLE OVER NEW INDIAN HIGH SCHOOL AT BLUFF, DURBAN.

626. *Mr. K. S. Gupta: (a) Is the Honourable Member for Indians Overseas aware of the postponement of the Foundation Stone laying ceremony of the Indian School at Bluff, Durban?

(b) Is not the postponement due to the European objections?

(c) Is it a fact that the Minister for Interior granted a permit for the building and occupation of the school under the Pegging Act and was to have laid the foundation stone on January 8th?

(d) Is it not a fact that the site for the school was bought by Indians before the Pegging Act came into force?

(e) Is he aware that all the elements of a first class racial trouble are brewing up over the new Indian High School at Bluff?

(f) Are the Government of India prepared to move in the matter? If so, when?

The Honourable Dr. N. B. Khare: (a), (c) and (d). Yes.

(b) The postponement was due to objection taken by certain Europeans on the ground that the utilization of the Bluff site for an Indian school would prejudice housing schemes for soldiers returning after the war.

(e) The question has taken a racial turn.

(f) Government have already taken note of the matter and are taking such action as they can.

LABOUR ADVISER TO THE LABOUR DEPARTMENT.

627. *Mr. K. S. Gupta: (a) Will the Honourable Member for Labour please state if the post of Labour Adviser to the Labour Department is a new creation? If so, why is it created?

(b) If it is an already existing post, who was the last incumbent, and on what salary?

(c) Is it a fact that Mr. B. L. Waters has been appointed Labour Adviser to the Labour Department of the Central Government? What is his salary and overseas allowance and allowances, if any?

(d) Is it a war measure that necessitated the appointment of Mr. Waters? What was he drawing as salary in the British Ministry of Labour and National Service?

(e) Has he any previous experience of Indian conditions? If so, under what Head of the Government of India?

The Honourable Dr. B. R. Ambedkar: (a) and (b). The post of Labour Adviser was created in December 1942. It was held by Mr. D. T. Jack till June 1943 and is now held by Mr. B. L. Waters. Mr. Jack's salary was Rs. 2,750 a month.

The Labour Adviser is to advise on all important matters of labour legislation and administration, and in particular the manner in which labour problems that are under consideration or which may arise, have been or are being dealt with in England.

(c) Yes. Mr. Waters draws a salary of Rs. 2,000 p. m. He is not paid any overseas or other monthly allowance.

† The question hour for today having been dispensed with, answers to these questions were, in pursuance of convention, laid on the table of the House—Ed. of D.

[Sir M. Azizul Huque.]

Now, I have to speak on the question of the price control. I fully agree that you have to impress upon Provincial Governments and the people of the country as a whole that no price control measure can be successful unless there is a unanimous effort on the part of everyone in this country to drive out the black market. Law can never make a perfect being. I have answered the question as to how we are dealing with this matter but please do remember that this Department of Industries and Civil Supplies came into being at a time when the index figure of all commodities was at its highest and we had barely about 8 months to tackle the problem. We have taken up the question of textiles; we have taken up the question of drugs and woollens; and we are very soon going to take up the question of cement and other articles. Under the anti-hoarding provisions we have fixed the prices of fountain pens, munitions, photographic materials, cycle and its parts, silk yarns and a few other articles. I do not think we have been able to do it badly. Take the textile item only. Thousands and thousands millions of yards of cloth had to be marked. We have evolved at least one principle. Any production in India of textile after last November must either be the standard cloth or Tex mark. There cannot be any other production. We take credit for the fact that we have been able to establish for the first time one uniform wholesale price and one uniform retail price for the whole of India wherever it might be sold. Sir, a machinery like that cannot be perfect in a day. I do not think even the giants of men can do it with perfection within such a short space of time. There must be defects and I freely admit it and I shall be very glad if helpful criticisms are made to me in order that these defects may be removed. But we have at least done something. We have at least brought the price of cloth down from the index figure 400 to index figure 230.

Sir, my Honourable friend Mr. Jamnadas Mehta repeatedly said, why do you give time to these dealers. What can I do? I make a law that production in August must be sold by February. I take it ordinarily that if he has got six months time, he will be able to dispose of the same. And he must get six months time. But if within six months the commodities do not reach him owing to some transport difficulty or other, and he gets only two months time, I ask my Honourable friend if it is fair on the part of any Government to penalise and confiscate his commodity as soon as the due date is over. (Interruption.) That is the only alternative left. Even then, we have given only two extensions, one extension was when we first promulgated our order; we decided that any cloth which was produced before that date must be sold by 31st October. That was a mandatory order. At that time when there was cloth famine in this country, no one in this country knew, not even ourselves that there were nine months production already with the dealers, but we soon found out that there were nine months production. After all the production of nine months cannot be sold in three or four months. Therefore we thought it reasonable to give them two months time more. After that we have rigidly adhered to that date and every cloth which was left over has been seized and is being marked by the Provincial Governments with a new price which is much less than the old price. Sir, what we have done within eight months is this. We first fixed the price of textiles, but thereafter the price has been reduced gradually and the price fixed today for March is at least 25 per cent. less than what we fixed in June. Three times the price has been reduced within last eight months. As I said, I certainly feel that quite a considerable amount has been done so far as textile is concerned.

As regards the question of distribution of standard cloth, I can say that we aimed originally at 2,000 million yards for the total quota of the year, but when we later on came to know that there is already about 3,000 million yards existing in the country, we had to slow down our pace, because it was no use throwing commodities if they cannot be properly sold. In any case, the transport difficulties are there, and from June till today, we have been able to send about 720 million yards of standard cloth throughout India. There are now Pro-

vinces which have now said that "we are now getting so much Tex-mark cloth and people have got so much money that they will not purchase standard cloth. They are going in for Tex-mark cloth", and therefore they wanted to reduce the velocity with which the standard cloth was being put on the market. In any case, there has been no extra demand. May I only say this much that there is no danger that the cloth price will rise again because, as I have said that if today if there is any cloth which is unmarked, it is subject to the penal provision of the Ordinance which has come in. There is no such danger. If there is effacement of mark, it will be the duty of the man to see that it is properly marked again. If any complaint comes to our knowledge, it will be our duty to enquire into the matter. Therefore the question as to whether it is a wholesale dealer or a retail dealer, whether it is an Indian mill or somebody else, all these questions are immaterial to me. So long as I have fixed the price for the consumer, it does not matter whether in the Mulji Jetha market, there are representatives of textile concerns or anybody else opening shops. Already our hands are quite full. As I have said we have reduced the price three times within the last eight months and we hope to continue to do so. Here, I acknowledge with gratitude the help that we have got from the textile mills and especially from the Textile Board. We have taken their advice in every step we have taken to reduce the price. We have received their full co-operation. I have not been able to contradict or confirm as to what amount of profit has been made by a mill. That is the one matter in which I have all along been most ignorant. I do not understand all the intricacies of the share market and of speculation that takes place there. I have therefore not carefully studied the profit incidence of Indian Textile Mills. But since this point has been raised, I will try to look into this question also and I hope later on to be able to satisfy my Honourable friend. Actually the wholesale index price of cloth when we took up was, 410 and it has come down to 230 last month. I do hope it will come down later on much lower still.

The question has been raised as regards the distribution difficulty in Assam. Assam is really a difficult problem because as the House knows Assam is served by a railway system in which it is not easy for Bombay or Ahmedabad millowners to take commodities there easily. Yet we have gone out of our way to help Assam in order to make the distribution easy. In order that commodities may go by ships instead of by railway, the Government have accepted marine insurance as their own liability. In other words, if any one wants to send goods by ship, then marine insurance is a liability which has been accepted by Government. We have also taken other special steps and I am grateful to my Honourable friend the Member for War Transport that the question of standard cloth has been considered as a matter of very high priority in the matter of transport. I know for myself that when there was acute cloth shortage in Bengal, we did our level best to send more supply to that Province. For the time being I am not yet satisfied, that I can freely say that actual distribution within the Province is yet fully satisfactory. But they are doing their level best. They have to deal with thousands of villages and it is no use my quarrelling over the matter because they have got the problem to see that it goes to the distant villages. For ourselves, we have taken the responsibility of not only manufacturing but reaching the commodity to the destination within certain areas and to the rail heads that may be made, and we are doing that duty.

Several questions have been asked about dry batteries and cells. So far this was being dealt with by the Supply Department, and the whole question of its price is now being considered in conjunction with the Supply Department by the Industries and Civil Supplies Department and therefore I am not able at present to say what the actual price is and how it was determined.

Next, my Honourable friend questioned me about certain newspapers which received permission and others which did not get permission. I have here a list before me of all newspapers which have received permission since the newspaper control has come. I am giving the names which have been given permission, all of which are exceptional cases on each one's own merits:

[Mr. S. C. Chatterji.]

war to the speediest possible successful conclusion. I, therefore, entirely agree with my Honourable friends, Sir Frederick James and Mr. Jamnadas Mehta, that we today have to view the financial proposals before us in the light of these facts. I, therefore, give my wholehearted support to the financial proposals contained in the Finance Bill.

I pass on to another fact: the fact of the shortage of food supplies, the shortage which has had such disastrous and tragic consequences in Bengal and other parts of our country. I claim to have some sympathy for Bengal, because it happens to be the land of my ancestors. I find it somewhat difficult to understand why in that unfortunate land there should be, even when such a calamity has befallen it and, if certain ominous predictions should prove true, might again be repeated, why there should be such lack of co-operation, such mutual suspicion, as is evident from the reports one hears. My Honourable friend, Nawabzada Liaquat Ali Khan, is a Shakespearean scholar, he might therefore be able to appreciate this Shakespearean saying: "Adversity makes strange bed fellows." We, Sir, in this House have had an interesting demonstration of that truth on the opposite Benches lately. But I have been very much wondering why this saying of Shakespeare should not hold good at the present time in Bengal. There has been a good deal of criticism of the Food Department of the Government of India. It will be, however, admitted that since the question of food, particularly in Bengal, was last discussed there has been considerable improvement; and my own feeling is that if things are not better today than they are in Bengal the fault lies not entirely at the doors of the Government of India. Even Providence, Sir, it is said, helps those who help themselves; and unless all classes and communities and all parties in Bengal will make up their minds to put their shoulders to the wheel, I do not see how the very able and hard-headed businessman, who is in charge of the Food Department of the Government of India, is going to deliver the goods. He might be able to deliver foodgrains to Bengal, but the distribution of the supplies must inevitably be the responsibility of the provincial administration. Now, Sir, I am not in touch with conditions in Bengal and, therefore, I am not competent to pass any judgment as to what is the reason for this lack of co-operation, but my information is that so far, at any rate, as the main political parties in that province are concerned, with the exception of the members of the European Group, they are not giving their wholehearted co-operation to the present Government. When I turn, Sir, from that unfortunate province to my own province—the United Provinces—over which at present one single individual is ruling, for the same reason for which the Honourable Dr. Khare told us yesterday that he is here, I find a pleasant contrast. Things in the United Provinces have gone well, and they have gone well because the Government of the time has gained the confidence of the people. Not only have the United Provinces Government taken timely action in purchasing large stocks of foodgrains themselves but they have seen to it that at any rate in the larger towns of the province, though prices have been high, there has been no starvation. Reflections like these make me wonder whether, after all, one has not to agree with the saying of Dr. Johnson, the ponderous literary favourite of my Honourable friend, Mr. Krishnamachari:

"For forms of Government let fools contest, what'er is administered best, is best."

And, Sir, that is my reason for giving my support not only to these financial proposals before us, but almost to all important measures put forward by the present Government. We have heard a great deal lately that the present Government of India do not represent the major political parties in the country. That is a fact which is patent to all, and I do not see that there is any point in rubbing that in too often. I support the present Government because, I believe, that that is the only Government that we can have, and, I sometimes feel, that we can have for a long time to come. I do not believe that in the present conditions anything like a party Government can work either in the provinces or at the Centre.

THE INDIAN FINANCE BILL

Mr. K. S. Gupta (Ganjam, *cum* Vizagapatam: Non-Muhammadian Rural): Astrologer!

Mr. S. C. Chatterji: I support the present Government

Dr. P. N. Banerjee: True to your salt!

Mr. S. C. Chatterji: . . . particularly because the Indian Members in that Government happen to be persons who are not directly connected with any one of the contending political parties.

Mr. K. S. Gupta: Gratitude!

Mr. S. C. Chatterji: They are to my mind people who can take a detached and a dispassionate view of affairs, and I believe that they are doing their honest best. I also believe that constituted as they are they are capable of working together as a team, as no party Government or even coalition Government could do in the present conditions in India. Having said that, Sir, I must from the somewhat narrower point of view of my own community make certain complaints against the present Government of India.

In the first place, I cannot help taking note of the fact that while almost all the important communities in India are represented in the Executive Council there is no Indian Christian in that Council.

Mr. Abdul Qaiyum (North-West Frontier Province: General): Step in.

Mr. S. C. Chatterji: I am not interested in getting any particular member of my community exalted to that position. I have drawn attention to this because I feel that this omission is possibly responsible for the somewhat studied and calculated disregard that is shown to my community.

Mr. Abdul Qaiyum: From such a perfect Government!

Mr. S. C. Chatterji: I also notice that in the whole array of Secretaries and Deputy Secretaries who sit behind, in this House and in the other House of the Legislature, to help the Honourable Members of the Executive Council, there is not a single Indian Christian. I refuse to believe that among the seven and a quarter million Indian Christians in this country it is not possible to find one gentleman of the requisite ability and of the requisite respectability to fill the position of a Member of the Governor General's Executive Council. I do not believe, Sir, that in this whole country there is not to be found in the services one Indian Christian who might be deemed fit to be made a Secretary or a Deputy Secretary.

Another important omission that I must mention is that, so far as my information goes, no Indian Christian has ever been appointed to the Federal Public Service Commission. I do not know how the matter stands with the representation of members of my community in the various services under the Central Government. I suppose our representation is governed by the Home Department resolution of 1934. Now, Sir, my community have never asked for communal representation in the services. We have always said that we want that the services should be manned by men who have proved their fitness for the posts that they are asked to fill. According to the Home Department resolution of 1934, Sir, all the smaller minorities were put in one box and were allotted 8 per cent. of posts. We Indian Christians have never accepted that as a fair allotment, and I submit, Sir, that it is high time that the position was reviewed. I recognise, Sir, that it is in the public interest and that it would help to gain public confidence if all the principal communities are represented in the services, and if a particular community has neglected education, if a particular community or communities have not had the necessary training and opportunities to qualify themselves for the public services that for a time some special concessions might be made. But I think, Sir, that when a period of ten years has elapsed since that allotment was made, it is time that the position was reviewed.

In conclusion, Sir, I should like to close with a word of good cheer, especially to the Indian Members of the Executive Council. It is fortunate for them that all the 400 millions in India are not politicians. Most of the common

STARRED QUESTIONS AND ANSWERS

Electric bulbs are invariably provided in clerks' lavatories. Replacements are provided as usual and all possible means are adopted to ensure their safety. Despite the fact that locks are used, the bulbs are very often stolen. The records show that since October last about 48 bulbs with an equal number of bulb locks were replaced in six clerks' lavatories in the North Block, out of which only 2 or 3 bulbs are intact while the rest have been stolen. In the ordinary course, only 15 to 16 bulbs should have been supplied during this period on all points (taking the average life of a bulb at 1000 hours). As the provision of lamp locks has not prevented thefts, the Electrical Engineer is arranging to provide a special type of fittings to electric points in these lavatories. It is hoped that this arrangement will prevent thefts and improve lighting in the clerks' lavatories.

(d) In view of the measures that are now proposed to be taken, I do not consider surprise visits by me necessary.

LAWNS IN FRONT OF ORTHODOX CLERKS' QUARTERS IN D. I. Z. AREA, NEW DELHI.

630. *Sardar Sant Singh: (a) With reference to his answer to starred question No. 232, dated the 17th November, 1943, will the Honourable the Labour Member please state whether he is aware that the C. P. W. D. Administration have supplied him with wrong information about the lawns in front of the orthodox clerks' quarters in the D. I. Z. Area of New Delhi?

(b) If the reply to (a) be in the negative, is he prepared to inspect some of these lawns without taking any P. W. D. officials with him and find out the correctness or otherwise of the information supplied to this House through him by the C. P. W. D. Administration?

(c) If the reply to part (b) be in the negative, will the Honourable Member please state:

(i) whether in every case beyond the outer wall of the quarters, there is a road on the other side of which the lawns begin;

(ii) whether it is a fact that the edge of these lawns runs parallel to the walls of the quarters, i.e., in a straight line as far as the quarters were built in a straight line or follows any turn, etc., but always running parallel, in a regular manner, to the walls of the quarters;

(iii) whether this straight alignment of the edges of the lawns is still maintained; if so, the width of the said roads, viz., between the quarters and the lawns, as originally fixed and laid on, and their width at the corners or in front of most of the quarters in the Baird Square, Havelock Square, etc.;

(iv) whether any officer of the C. P. W. D. himself visited all the squares, etc., in order to see the condition of the lawns; if so, who was that officer; or whether the matter was left in the hands of some petty subordinates; and

(v) whether the Honourable Member is prepared to issue instructions to the C. P. W. D. officers to inspect the places about which complaints are brought to light, personally and invite half a dozen or so tenants of each locality and find out their grievances, if any, taking their signatures on a report on the matters in question? If not, why not?

The Honourable Dr. B. R. Ambedkar: (a) and (b). No. I have no reason to believe that the information furnished to me was incorrect.

(c) (i) Yes, generally.

(ii) The lawns usually run parallel to the walls of quarters.

(iii) The alignment of the edges of the lawns is still maintained and the width of paths is about 8 feet.

(iv) The Sub-Divisional Officer goes round to see the lawns frequently and the Superintendent, Horticultural Operations, inspects them occasionally.

(v) Complaints, when made, are attended to by the C. P. W. D. officers and no special instructions appear to be necessary.

KEEPING OF MILCH CATTLE IN ORTHODOX QUARTERS.

631. *Sardar Sant Singh: (a) With reference to his answer to part (d) of starred question No. 146, dated the 13th November, 1943, will the Secretary for Education, Health and Lands please state what those undesirable consequences

properly by the 31st October; the extension in respect of goods packed in August and September has been given to meet the genuine difficulties of dealers arising from transport hold-ups and other factors. Government are satisfied that, having regard to the present falling market conditions of cotton textiles, the extension given cannot possibly lead to hoarding or a rise in prices.

RADIO SETS IMPORTED FROM AMERICA AND OTHER COUNTRIES.

638. *Maulvi Muhammad Abdul Ghani: Will the Honourable Member for Industries and Civil Supplies be pleased to state:

- (a) the total number of Radio sets imported from United States of America and other countries during 1943; and
- (b) whether prices have been controlled by Government; if so the rates of different sets and types of Radios?

The Honourable Sir M. Azizul Huque: (a) A fairly large number of sets were imported from the U. S. A. and elsewhere during 1943, but I regret it will not be in the public interest to furnish figures of such imports.

(b) Prices of radio sets imported by the trade have not been controlled. As the Honourable Member is perhaps aware certain sets were imported from U. S. A. under Government arrangements and their prices have been controlled under the Wireless Sets Control Order, 1943, a copy of which giving types and retail prices relating to them has already been placed in the Library of the House.

GOVERNMENT OF INDIA TRADE ADVISERS.

639. *Maulvi Muhammad Abdul Ghani: Will the Honourable Member for Industries and Civil Supplies please state:

- (a) the names of various Honorary or Stipendiary Government of India's Advisers of different trades and commodities for the civil population;
- (b) the remuneration, allowances or office establishment charges paid to every such Adviser;
- (c) the quantity of cement, iron and steel, and paper supplied to civil population together with names of persons, authority or individual persons to whom such supply was made on the advice of such Advisers during 1943; and
- (d) the conditions for supply of cement, paper, iron and steel?

The Honourable Sir M. Azizul Huque: (a) and (b). A statement showing the information desired by the Honourable Member, is placed on the table of the House.

(c) About 1,50,000 to 1,70,000 tons of cement, were released for civil use in 1943. Information regarding the names of persons to whom releases were authorised is not readily available and its collection would involve so much time and labour that it would not be justifiable in war time. Supplies of iron and steel and paper are not made on the advice of any advisers.

(d) Cement.—Release of cement is authorised to the public for essential purposes. Applicants are required to give a declaration mainly to the following effect:

(i) that the cement required for the specific purpose mentioned in the application has not already been authorised, or applied for by any other person or through any other channel;

(ii) that the full quantity of cement released will be used only for the purpose specified in the application and that if it is found that any portion of it has been used for any other work or resold to any other party, all the cement in stock with the applicant may be confiscated, and

(iii) that any authorised representative of the Regional Honorary Cement Adviser may inspect the work for which the cement is applied for and any stocks in the possession of the applicant and the applicant shall furnish such information as to the use of the cement supplied as may be asked for.

Iron and Steel.—No special conditions are attached to the supply of iron and steel, but a licence granted under the Iron and Steel (Control of Distribution) Order, 1941 is subject to the conditions stated in the licence itself, the chief of which are:

STARRED QUESTIONS AND ANSWERS

(i) that the licence is not transferable except in pursuance of the objects for which it is given; and

(ii) that the licence may at any time be revoked or amended.

Paper.—No special conditions have been laid down by the Central Government for the supply of paper other than newsprint. With regard to newsprint, supplies against a ration of newsprint granted under the Newsprint Control Order, 1941 are made subject to the condition that the total quantity of newsprint supplied in one or more instalments during any calendar month should not exceed the quantity mentioned in the ration card.

Name and designation of Adviser.	Statement. Remuneration or allowances paid to him.	Office establishment charges paid to him.
1. Mr. W. A. M. Walker, Adviser on Jute Supplies.	Travelling allowance admissible to a First Grade Officer of the Central Government and daily allowance at the rate of Rs. 25 per day in respect of halts while on tour on Government duty.	Rs. 1,000 p. m.
2. Adviser on Engineering Supplies (Vacant).	Ditto.	Rs. 1,650 p. m.
3. Mr. J. S. Quin, Adviser on Rope Supplies.	Ditto.	Nd.
4. Mr. C. Williamson, Adviser on Timber.	Ditto.	Nd.
5. Mr. H. N. Thomas, Adviser on Web Equipment.	Ditto.	Rs. 2,500 p. m.
6. Mr. W. R. Watt, Adviser on Woollen Industry.	Ditto.	Rs. 500 p. m.
7. Mr. A. C. Inskip, Adviser on Tanning and Leather Industry.	Ditto.	Rs. 1,300 p. m.
8. Maulvi Mohd. Amin, Adviser on Hides.	Ditto.	Rs. 25 p. m.
9. Mr. R. N. B. Brunt, Adviser on Petroleum Products.	Conveyance allowance of Rs. 100 p. m. with effect from 1st August 1943. This is being discontinued from 1st April 1944.	Nd.
10. Mr. C. B. Newbury, Honorary Adviser on News-reels and films distribution.	Travelling allowance as Grade I Officer.	Nd.
11. Sir Frederick James, C.B.E., M.L.A. (Cantab.)	Ditto. Daily allowance at Rs. 25 p.m. in respect of halts while on tour on Government duty.	Nd.
12. Sir Frederick Stones, Honorary Technical Adviser (Textiles).	Car allowance of Rs. 100 p. m. and out of pocket expenses.	Rs. 715 p. m.
13. Mr. H. E. Ormerod, Honorary Cement Adviser, New Delhi.	Nd.	Nd.
14. Mr. C. W. Fowler, Regional Honorary Cement Adviser, Bombay.	Nd.	Nd.
15. Mr. S. E. Sara, Regional Honorary Cement Adviser, Calcutta.	Nd.	Nd.
16. Mr. J. C. F. Davidson, Regional Honorary Cement Adviser, Lahore.	Nd.	Nd.
17. Mr. C. T. L. Stokole, Regional Honorary Cement Adviser, New Delhi.	Nd.	Nd.
18. Mr. D. H. Peel Yates, Regional Honorary Cement Adviser, Cawnpore.	Nd.	Nd.
19. Mr. W. H. Kirby, Rationing Adviser.	Pay of Rs. 2,800 p. m.	Nd.
20. Mr. J. Vonesch, Trade Adviser	Honorarium of Rs. 1,500 p. m.	Nd.

ADMISSION OF SONS OF TRANSFERRED GOVERNMENT OFFICIALS IN DELHI COLLEGES.

640. *Khan Bahadur Shaikh Fazal-i-Haq Piracha: Will the Secretary for Education, Health and Lands please state:

(a) whether a Government official who is transferred permanently or for the duration of war can secure admission of his sons in colleges in Delhi under the new system of education;

are which will follow a permission to keep milch cattle in the 'C' class orthodox quarters and/or D and E class quarters at least during the war time?

(b) Are these consequences of greater weight than the malnutrition from which the staff living in these quarters are suffering on account of lack of good quality of milk at reasonable prices?

(c) How many residents of A and B classes of orthodox quarters in New Delhi are keeping milch cattle in their quarters?

(d) Are Government prepared to find out by a reference through the various Departments and offices how many tenants of the C, D and E type orthodox quarters are thinking of keeping milch cattle in their quarters? If not, why not?

(e) How much time is the New Delhi Municipal Committee likely to take over "examining" other means of augmenting the milk supply?

(f) If any proposals are under examination, are they to augment the milk supply of the officer class residents of New Delhi or the clerical class? If the latter, has the question of their means been considered, or is it likely to be considered?

Mr. J. D. Tyson: (a) and (b). An increase in the private keeping of cattle in houses with restricted space and lack of adequate facilities to dispose of refuse will give rise to a grave nuisance such as an increase in flies and fly-borne diseases, the harmful effect of which on the inhabitants may well outweigh any advantage from an increased milk supply.

(c), (e) and (f). The information has been called for and a reply will be furnished to the House when it is received. The interests of all classes will be considered.

(d) No useful purpose will be served by collecting the information as it is not proposed to encourage the tenants of such quarters to keep cattle at their residences.

CASES UNDER CHILD MARRIAGE RESTRAINT ACT.

632. *Mr. Nabi Baksh Illahi Baksh Bhutto: Will the Honourable the Law Member be pleased to state the number of cases tried by the Indian courts under the Child Marriage Restraint Act, 1938?

The Honourable Sir Asoka Roy: The Honourable Member has not specified the period for which he requires figures, nor is it clear whether what he wants is the total number of cases tried under the Child Marriage Restraint Act, 1929, or the number of cases in which injunctions have been granted under section 12 of that Act, as inserted by section 6 of the Child Marriage Restraint (Second Amendment) Act, 1938. In either case information is not available, and its collection would involve an expenditure of time and labour which would be wholly disproportionate to the value of the result.

INDIA'S MEMBERSHIP OF LEAGUE OF NATIONS.

633. *Mr. Nabi Baksh Illahi Baksh Bhutto: (a) Will the Honourable the Law Member be pleased to state if India is still a member of the League of Nations?

(b) What annual subscription is India paying to this body?

(c) In view of the present International situation, do Government propose to withdraw from this body and save the tax-payer from this burden?

The Honourable Sir Asoka Roy: (a) Yes.

(b) As has been explained on a number of previous occasions the aggregate amount of the League's budget for any particular year is payable by the members of the League as a whole, each member State contributing in the proportion of the number of units assigned to her in the scale of allocation for the time being in force. Thus, in the year 1944 India will pay 48/420 of the total expenditure, 48 being the number of units assigned to her in the scale of allocation adopted as the result of the report of the Allocation Committee of 1939, and 420 representing the existing total number of units. The estimated rupee amount payable on this basis is Rs. 8,88,000.

STARRED QUESTIONS AND ANSWERS

(c) No. The Government of India recognise that war conditions have involved a serious curtailment of the activities of the League but they consider it important in principle that the League should continue to exist and should continue to receive the support of India. Nor are the practical tasks which the League is still in a position to discharge by any means insignificant.

MOGHUL LINE SHIPS.

634. *Mr. Nabi Baksh Illahi Baksh Bhutto: (a) Will the Honourable Member for Indians Overseas be pleased to state if the Moghul Line has lost any ship since the outbreak of war?

(b) Do the ships of Moghul Line still ply in the Arabian Sea and Red Sea?

(c) If no ship has been lost so far, why were not the ships of the Moghul Line released for pilgrims this year?

The Honourable Dr. N. B. Khare: (a) Yes.

(b) The information cannot be disclosed for security reasons.

(c) Attention of the Honourable Member is invited to the press communique published on the 11th August, 1943.

BUYING AND SELLING OF LAND BY DELHI IMPROVEMENT TRUST.

635. *Mr. Nabi Baksh Illahi Baksh Bhutto: (a) Will the Secretary for Education, Health and Lands be pleased to state if it is a fact that the Delhi Improvement Trust buys lands and plots at a lower rate and then sells them at a much higher rate?

(b) Are Government aware that the Delhi Improvement Trust puts obstructions in the way of all other private firms who deal in buying and selling land?

(c) Are Government aware that the Delhi Improvement Trust puts obstacles in the way of the people who do not sell their lands to the Trust or who persist to sell their lands to private individuals?

Mr. J. D. Tyson: The information has been called for and a reply will be furnished to the House when it is received.

PAPER EXPORTED FROM INDIA.

636. *Mr. Nabi Baksh Illahi Baksh Bhutto: (a) Will the Honourable the Commerce Member be pleased to state the quantity of paper exported from India in 1941, 1942 and 1943?

(b) In view of the acute shortage of paper in India, do Government propose to stop all paper exports?

The Honourable Sir M. Azizul Huque: (a) Exports of paper have been as follows:

Year	(In cuts.)
1940-41	95,197
1941-42	85,834
1942-43	5,312
1943-44	447

(Eight months ending November 1943.)

(b) A ban has already been imposed on exports of paper.

TIME FOR DISPOSAL OF OLD STOCK OF COTTON TEXTILES.

637. *Maulvi Muhammad Abdul Ghani: Will the Honourable Member for Industries and Civil Supplies please state:

(a) the different dates for the disposal of old stock of cotton textiles; and

(b) the number of times for further extensions of dates were given?

The Honourable Sir M. Azizul Huque: (a) and (b). The dates originally fixed by Government for the final retail disposal of stocks of cotton textiles were as follows: Goods packed before August 1943 had to be sold by October 31st, 1943, and goods packed in or after August had to be sold within six clear months of the date of packing. As regards the former case, Government extended the time-limit from 31st October to 31st December, and, as regards the latter case, Government have granted an extension whereby goods packed in August and September 1943 may be sold by retailers up to the 30th of June 1944. The extension to the 31st December was given because the stocks of cloth packed before August held by dealers were too large to be disposed of.

(b) whether the son of a non-Government servant studying in a college out of Delhi can secure admission in a college in Delhi if he wants to do so on grounds of health or for financial reasons; and

(c) if the answers to parts (a) and (b) are in the negative, do Government realise the hardship in such cases; if so, do Government propose to make necessary amendments in the Delhi University Rules?

Mr. J. D. Tyson: (a) and (b). Yes, if the candidate satisfies the academic requirements for admission, he can be admitted.

(c) Does not arise.

ADMISSION OF OUTSIDE FIRST YEAR INTERMEDIATE STUDENTS TO A COLLEGE IN DELHI.

641. *Khan Bahadur Shaikh Fazal-i-Haq Piracha: Will the Secretary for Education, Health and Lands please state whether he proposes to make a rule permitting the admission of a student who has passed 1st year examination of Intermediate class in a college outside Delhi to the 1st year of the B.A. Course in a college in Delhi? If not, why not?

Mr. J. D. Tyson: Delhi University will be prepared to admit to its three year degree course any student who has already completed the 1st year of his intermediate course in a college outside Delhi, subject to the production of a certificate of satisfactory work from the Principal of his college.

COPYHOLDERS AND REVISERS PASSING READERS' EXAMINATION OF GOVERNMENT OF INDIA PRESS, NEW DELHI.

642. *Mr. H. A. Sathar H. Essak Sait: Will the Honourable Member for Labour be pleased to state:

(a) whether he is aware that while senior Copyholders and Revisers who pass the Reader's Examination of the Government of India Press, New Delhi, in the first or second chance are allowed to retain their seniority in service, and those who pass in their third chance are made junior even to those juniors who appear in the examination along with them, and if so, why this clause has recently been introduced in the Press Handbook;

(b) whether it is a fact that in the ordinary course all European Managers of the Government of India Presses will retire in 1945 and that their places will be filled up by senior-most officers who are all non-Muslims, and if so, what ways and means the Honourable Member proposes for giving adequate representation to Muslims in this cadre; and

(c) whether it is a fact that in 1942-43 a number of posts of Assistant Controllers of Printing were sanctioned by the Government of India, and, if so, how many Muslims were appointed to the post?

The Honourable Dr. B. R. Ambedkar: (a) No. There is no such clause in the Press Handbook.

(b) Only one will retire in 1945. The second part does not arise.

(c) One post of Assistant Controller, Printing, was created and filled by selection from among the existing officers. No Muslim was appointed to the post.

DESIRABILITY OF APPOINTING AN ANDHRA ZONAL OFFICER.

643. *Mr. Umar Ali Shah: Is the Honourable Member for Indians Overseas aware of the agitation in the press urging upon Government the necessity of appointing an Andhra Zonal Officer in order that the grievances of the Burma Andhra evacuees numbering over two lacs may be properly represented? If so, do Government propose to appoint immediately an Andhra Zonal Officer?

The Honourable Dr. N. B. Khare: Government are not aware of any agitation in the press but have seen some representations to the effect that an Andhra should be appointed to one of the posts of Refugee Officers in the Southern Zone. The Refugee Officer and three Assistant Refugee Officers in this zone can speak Telugu and the actual work connected with the grant of relief to these evacuees is also entrusted to local officers of the Madras Government. Government, therefore, do not consider that these evacuees should have any legitimate grievance on this score. The suggestion will, however, be considered when any vacancy occurs.

SCARCITY OF RICE AND ROTTEN QUALITY OF FOODGRAINS IN PATNA MARKET.

644. *Mr. Kallash Bihari Lal: Will the Honourable the Food Member be pleased to say:

(a) if the attention of Government has been drawn to the news published in the morning edition of the *Hindustan Times*, dated the 14th February, 1944, regarding the scarcity of rice in the Patna market;

(b) if it is a fact that even the poorer sections of the people who have been rationed are experiencing much difficulty, particularly on account of the price, the quantity and the quality of the food-grains supplied to them;

(c) if it is a fact that the quality of foodgrains supplied is rotten and unfit for human consumption;

(d) if Government propose to move in the matter; and

(e) if it is a fact that His Excellency the Governor of Bihar visited the shops personally; if so, whether Government have got a report about the same?

The Honourable Sir Jwala Prasad Srivastava: (a) Yes, and I am glad that my Honourable friend has given me an opportunity to correct the impression created.

(b) Some difficulties were experienced owing to the withholding of stocks from sale by producers and dealers. The local Governments took energetic action and the situation is greatly improved.

(c) and (d). No, Sir. There were complaints about quality but the grain has been cleaned and there are now no complaints.

(e) Yes. His Excellency the Governor found stocks in some of the ration shops to require cleaning and he ordered their cleaning immediately.

FOODGRAINS STORED BY BIHAR GOVERNMENT FOR THEIR SERVANTS.

645. *Mr. Kallash Bihari Lal: Will the Honourable the Food Member please state:

(a) if it is a fact that the Government of Bihar have a large stock of food-grains stored for the consumption of Government servants;

(b) if it is a fact that even public buildings used for holding courts are utilised for storing grains in Bihar;

(c) the amount of grains stored for the use of public servants in Bihar; and

(d) the amount of grains stored for the use of jail population in Bihar?

The Honourable Sir Jwala Prasad Srivastava: (a) and (c). No stocks have been earmarked for Government servants in Bihar.

(b) Government grain is stored wherever accommodation is available but the bulk of it is kept in ordinary storage godowns.

(d) The quantity required for the jail population is very small and is stored in the jails.

COPYHOLDERS AND REVISERS PASSING READERS' EXAMINATION OF GOVERNMENT OF INDIA PRESS, NEW DELHI.

646. *Maulana Zafar Ali Khan: Will the Honourable the Labour Member be pleased to state:

(a) whether it is a fact that some Copyholders and Revisers who passed the Readership Examination in the year 1942, in the third chance (grace chance), in the Government of India Press, New Delhi, were given to understand that if they would succeed in examination they would remain junior to all qualified men who passed in the first and second chances;

(b) whether the existing rule was in force in the month of May, 1942, when the examination was held in the Government of India Press, New Delhi; and

(c) whether the rule regarding the promotion of qualified Copyholders and Readers is going to be amended very shortly in such a way that those men who passed the examination in the third chance are now going to be declared senior to all; if so, why?

The Honourable Dr. B. R. Ambedkar: (a) No.

(b) Yes.

(c) The attention of the Honourable Member is invited to the reply given to parts (d) and (f) of Qad Muhammad Ahmad Kazmi's starred question No. 231 and part (c) of Mr. Muhammad Hussain Choudhury's question No. 501.

(b) Yes, excluding areas in which the New Delhi House Rent Control Order, 1939, is in force.

(c) Yes, the Act imposes some restrictions on enhancement of rent and ejectment of tenants. The Honourable Member may ascertain the exact provision from the Act itself.

(d) Yes. Some such cases have come to notice.

(e) and (f). Yes, the figures are reported to be:

1939=336.

1940=390.

1941=599.

1942=480.

1943=879.

(g) Yes, Government have however no information about any cognizable offences committed by the landlords.

(h) Some complaints of the nature alleged by the Honourable Member have been received.

BAN ON IMPORT OF LEATHER, ETC. TO PISHIN DISTRICT.

651. *Qazi Muhammad Ahmad Kazmi: (a) Will the Honourable the Commerce Member please state if it is a fact that import of leather, articles of leather, tea, cloth, etc., has been recently prohibited in the districts of Pishin, and parts of Chaghi, for sometimes past? If so, since when?

(b) Is it a fact that the alleged reason for the prohibition is that the things may not go over to Afghanistan or Persia?

(c) Is it a fact that the main source for the maintenance of the residents of these areas was trade in these articles, and that they are suffering very badly from this prohibition?

(d) In view of the great hardship caused to the residents of these parts by these restrictions, have Government considered the advisability of relaxing these restrictions, and making proper arrangement at the frontiers of Afghanistan and Persia for stopping the export of these articles to those areas?

The Honourable Sir M. Azizul Huque: (a) The transport by rail and post of certain classes of goods including tea, cotton piecegoods and leather manufactures to Chagai and Pishin districts in Baluchistan has been prohibited a few months ago except under the cover of permits issued by the appropriate authorities.

(b) It is a fact that this control was established to prevent any possibility of such goods as are in short supply in India being despatched in excess of local requirements of Baluchistan, with the object of smuggling them into Afghanistan or Persia in contravention of Export Trade Control Regulations or, alternatively, of causing such congestion at stations on the Frontier that pressure could be brought to relax the export control.

(c) and (d). Government have no reason to think that any hardship is being caused to the residents of these parts, as goods genuinely required for local consumption are allowed to be transported under permit.

UNSTARRED QUESTIONS AND ANSWERS

RATIONING OFFICERS AND INSPECTORS.

187. Mr. Ananga Mohan Dam: Will the Honourable the Food Member please state:

(a) the total number of Rationing Officers and Inspectors sanctioned in their Department; and

(b) the number of Hindus and Muslims appointed on these posts?

The Honourable Sir Jwala Prasad Srivastava: (a) Apart from the Rationing Adviser to the Government of India, an officer lent by His Majesty's Government, there are no Rationing Officers or Inspectors employed in the Food Department.

(b) Does not arise.

UNSTARRED QUESTIONS AND ANSWERS

CONNECTION OF THE DELHI SUPERINTENDENT OF INDUSTRIES WITH COLOUR AND DYES FIRMS.

188. Mr. Muhammad Azhar Ali: Will the Honourable Member for Industries and Civil Supplies be pleased to state:

(a) whether the control orders for colours and dye stuffs were issued at Delhi by the District Magistrate on representations from Sirdar Mehtab Singh, the Superintendent of Industries; and

(b) whether Government are aware that Sirdar Mehtab Singh is directly and indirectly connected with several firms dealing in these commodities?

The Honourable Sir M. Azizul Huque: (a) On the 9th October, 1943, the District Magistrate of Delhi, having received reliable information that certain stocks of dyes in the possession of the Shri Gopal Chamber of Commerce, Limited, and the Delhi Colour Safe Deposit Company Limited were being made the subject of speculative transactions, which were likely to raise the price at which the stocks would be available for sale to consumers to an inordinate level, made an order under clause (a) in Defence Rule 81 (2) prohibiting the disposal of the stocks without his prior permission in writing.

The order was made by the District Magistrate on his own judgment of the requirements of the situation, and no question of "representations" by the official named in the question or any other subordinate official arises.

(b) No.

MISSING PERMIT BOOKS IN THE OFFICE OF COMMODITY CONTROLLER, DELHI.

189. Mr. Muhammad Azhar Ali: Will the Honourable Member for Food be pleased to state:

(a) whether it is a fact that seven books of permits of sugar are missing from the office of the Commodity Controller, Delhi; and

(b) whether it is a fact that through these permits thousands of sugar bags were transported into Delhi and outside places and sold in the Black Market?

The Honourable Sir Jwala Prasad Srivastava: (a) It was recently discovered that one book containing 100 sugar permit forms, and approximately another 32 unbound forms of the same kind, were missing from the Commodity Control Office. An inquiry is proceeding.

(b) The forms in question were designed to be used to authorise retailers to acquire supplies of sugar from wholesalers in Delhi, not to authorise the import of sugar into Delhi or the export of sugar from Delhi. Whether the missing forms have in fact been used by any person has not yet been ascertained.

DELHI MAGISTRATE'S ORDER PROHIBITING DISPOSAL OF CERTAIN COLOUR AND DYE STUFFS.

190. Mr. Muhammad Azhar Ali: (a) Will the Honourable Member for Industries and Civil Supplies please state if it is a fact that on the 9th October, 1943, the District Magistrate at Delhi prohibited the disposal of articles, viz., the cases and drums of colours and dye stuffs lying in safe custody deposit with the Shri Gopal Chamber of Commerce, Limited, and the Colour Safe Deposit Limited, both situated at Delhi?

(b) Are Government aware that movements of colour and dye stuffs were free all over India and not restricted by any control order so far?

(c) If so, will Government be pleased to inform the reasons and circumstances which moved the District Magistrate, Delhi, to issue this order of the 9th October?

The Honourable Sir M. Azizul Huque: (a) and (c). Yes. The circumstances in which the order was made have been explained in the reply to question No. 188.

(b) Yes, but this does not mean that the authorities are debarred from intervening in particular cases when it is apparent that transactions are going forward which are prejudicial to the public interest.

HARDSHIPS SUFFERED BY TENANTS IN OLD DELHI AND SHAHDARA.

191. Mr. Muhammad Azhar Ali: (a) Is the Honourable Member for Labour aware of the hardships suffered by the tenants in Old Delhi and Shahdara?

HIGH-HANDEDNESS OF LANDLORDS IN DELHI.

647. *Mr. Kailash Bihari Lall: Will the Honourable Member for Labour be pleased to state:

(a) if the attention of Government has been drawn to the article published in the Hindi weekly named *Vaishya Samachar* of Delhi under the heading "Delhi me Makandaron ki Nadirshahi" in its issue of the 12th March, 1944;

(b) if Government have ascertained that actually influential and rich house-owners resort to such tyrannies as have been described in the article, in question, in alliance with the police officers;

(c) if it is a fact that, as stated in the paper, the house-rent in the Maliwara Mohalla in Old Delhi has gone so high as from Rs. 9 to Rs. 21/4/-;

(d) if Government propose to get the allegations described in the paper enquired into, and to take suitable steps to stop the high handedness of the manner alleged with regard to the question of house-rent in Old Delhi; and

(e) the difficulties in the way of Government in applying the same law to Old Delhi which regulates and controls the rent in New Delhi?

The Honourable Dr. B. R. Ambedkar: Enquiries are being made of the local authorities and a reply will be laid on the table of the House at an early date.

REPRESENTATION OF SCHEDULED CASTES IN FOOD DEPARTMENT.

648. *Mr. Piare Lall Kuresal: (a) Will the Honourable the Food Member be pleased to state the communal representation including that of Scheduled Castes in the Gazetted and Non-Gazetted Staff of the Food Department and the Executive and Provincial organizations thereunder?

(b) Are Government satisfied with the present representation of Scheduled Castes in the Food Department? If not, what practical steps do they propose to take in order to secure their due representation in the said Department?

(c) Do Government propose to reduce the educational qualifications for the above Gazetted and Non-Gazetted posts in the case of Scheduled Castes? If not, why not?

The Honourable Sir Jwala Prasad Srivastava:

(a) I. Gazetted Posts:

Europeans	
Anglo-Indians	
Hindus other than Scheduled Castes	22
Muslims	1
Other Minority Communities	60
Scheduled Castes	22
	8
	1

II. Non-Gazetted Posts:

Europeans	
Anglo-Indians	
Hindus other than Scheduled Castes	3
Muslims	3
Other Minority Communities	445
Scheduled Castes	149
	52
	1

(b) The reply to the 1st part is in the negative. With regard to the second part, I would invite the Honourable Member's attention to Home Department Resolution No. 23/5/42-Est. (S), dated the 11th August, 1943, under which 8½ per cent. of all vacancies to be filled by direct recruitment are to be reserved for Scheduled Caste candidates and certain concessions in regard to age limit and fees have been granted to such candidates. Vacancies are advertised in important newspapers for the information of all candidates.

(c) No. According to the orders issued under the Home Department Resolution, to which I have referred, a minimum standard of qualifications has to be prescribed in all cases and the reservation of vacancies for members of Scheduled Castes is subject to this condition.

IMPORTED CONSUMER GOODS.

649. *Mr. K. S. Gupta: (a) Will the Honourable the Commerce Member please state Government's estimate of increased imports from abroad of consumer goods in 1944-45?

(b) What are those goods?

STARRED QUESTIONS AND ANSWERS

(c) How are they to be distributed from province to province or from State to State?

(d) What specific measures have they so far taken for a substantial increase in the production of such goods within the country?

(e) What is their programme in these respects for the ensuing year and the years following until the normal conditions are restored?

The Honourable Sir M. Azizul Huque: (a) It is not possible at present to furnish an estimate for the financial year 1944-45.

(b) For a list of the more important items of consumer goods the Honourable Member's attention is invited to the reply given to starred question No. 239.

(c) Consumer goods not imported by Government will be distributed throughout the country through ordinary trade channels. The question of the method of distribution of consumer goods imported by Government is under consideration.

(d) Government have extended, wherever possible, active assistance in the import of adequate supplies of raw materials at reasonable prices and the release of the maximum possible quantity of raw materials available in the country to essential civil industries. By this means production for the civil market of such fundamental necessities as Cotton Textiles, matches, soap, paper, etc., has been maintained at a high level. In addition, productive capacity previously engaged on War orders has, as far as possible, been released for the production of articles for the civil market with the result that increased supplies of woollen goods, cement, iron and steel goods, household utensils, etc., have been made available. It is only in cases where lack of equipment, internal transport difficulties, shortage of coal, etc., render impossible in the near future, the production in India of adequate quantities of particular items that ready-made goods are imported.

(e) In the ensuing year it is proposed to continue the Government of India's policy of maximising the production of consumer's goods in India as far as Defence demands, transport and supply difficulties permit and of importing adequate supplies of consumer's goods which could not otherwise immediately be made available. Wherever practicable productive capacity in the country will be increased by the construction and import of new machinery.

OPERATION OF THE PUNJAB URBAN RENT RESTRICTION ACT IN DELHI.

650. *Mr. Kailash Bihari Lall: Will the Honourable the Labour Member be pleased to state:

(a) if the House Rent Control Order is applicable to all the parts of Old Delhi; if not, what parts or Mohallas are subject to its application;

(b) if the Punjab Urban Rent Restriction Act, 1939, is applicable to Delhi;

(c) if it is not a fact that under the Punjab Urban Rent Restriction Act no landlord can enhance the rent or eject a tenant except only when he requires the holding for his own use;

(d) if Government are aware that landlords in Delhi have got the rent enhanced on the threat of ejectment under the pretext of personal use of the holding;

(e) if it is a fact that since the application of the Punjab Urban Rent Restriction Act, 1939, to the Delhi area, the number of ejectment suits have gone very high;

(f) the comparative figures of the number of ejectment suits for the period before and after the application of the said law in Delhi, separately;

(g) if Government are aware that landlords are harassing the tenants in all possible ways for vacating the holdings, and in some cases information of cognizable offences has been lodged by the tenants before the police; and

(h) if Government are aware that landlords in Delhi are charging exorbitant rents from new tenants, and that there is no effect of any law on them nor do they grant any receipt for high abnormal rents?

The Honourable Dr. B. R. Ambedkar: (a) No. The Order is applicable only to the Notified Area of the Civil Station of Delhi, certain portions of Daryaganj, and the Western Extension Area.

(b) Are Government aware that some rich landlords have increased the rent by 150 per cent. during the last two years and in spite of the application of the Punjab Urban and Rural Act?

(c) Is it a fact that some landlords have cut off water connections and electric connections with a view to bring pressure on tenants to vacate the premises or increase the rent?

(d) Do Government propose to extend to Old Delhi and Shahdara the provisions of Rent Control Act lately applied for protection of New Delhi tenants? If not, why not?

The Honourable Dr. B. R. Ambedkar: (a) Yes, generally.

(b) and (c). I am aware that increases in rent have taken place, but under the Punjab Urban Rent Restriction Act, 1941, these are matters for the decision of the courts.

(d) There are administrative difficulties in the extension of the New Delhi House Rent Control Order, 1939, to the areas in question but the Government of India have other measures under consideration.

STATEMENTS LAID ON THE TABLE

Information promised in reply to part (c) of starred question No. 303 asked by Mr. K. C. Neogy on the 18th November, 1943.

MANUFACTURE OF OPIUM ALKALOIDS FOR MEDICINAL PREPARATIONS IN INDIA.

So far as Government are aware the total average annual requirements of opium alkaloids of the chemical and pharmaceutical industries in India is about 400 lbs. of which about 54 per cent. is met by the Ghazipur Factory.

Supplies made by this factory during the first three months of 1943 amounted to 53 lbs. and the supplies during the subsequent months were as follows:

	lbs.	oz.	dr.
April 1943	3	2	0
May	23	10	0
June	12	5	0
July	34	12	8
August	16	12	8
September	33	3	9
October	2	14	0
November	18	15	0
December	15	8	0
January 1944	22	12	0
Total	183	14	9

Information promised in reply to parts (a), (b), (c), (d) and (f) of unstarred question No. 46 asked by Mr. K. C. Neogy, on the 21st February, 1944.

PRODUCTION OF OPIUM ALKALOIDS AT GHAZIPUR FACTORY.

(a) The quantity of opium alkaloids produced was:

	lbs.	oz.	dr.
1939-40	346	9	8
1940-41	1,134	7	0
1941-42	984	2	1
1942-43	995	8	10

(b) The supplies made to the chemical and pharmaceutical industries were:

	lbs.	oz.	dr.
1939-40	214	2	0
1940-41	165	11	0
1941-42	248	0	0
1942-43	225	8	14

(c) and (d). The Honourable Member is referred to the reply to part (c) of his question No. 303, dated the 18th November 1943 which has been laid on the table.

(f) The figures for 1940-41 to 1942-43 given in reply to part (a) represent the maximum quantity that could be produced under the present abnormal conditions, having regard to the availability of raw materials, chemicals, acids, apparatus, electric power, coal, etc.

STATEMENTS LAID ON THE TABLE

Information promised in reply to unstarred question No. 50 asked by Mr. Ananga Mohan Das on the 21st February, 1944.

REQUISITIONING OF ACCOMMODATION IN SHAHDARA, DELHI FOR STAFF OF UPPER JUMNA VALLEY ELECTRICITY COMPANY.

(a) Yes.

(b) No building has so far been requisitioned. The building proposed to be requisitioned is opposite the Terminal Tax Post and is known as "Har Saran Niwas" (shops 2 to 5 with quarters on the second floor).

(c) Rule 75A of the Defence of India Rules.

(d) and (e). The building at present occupied by the Company for its office has been found too small for the purpose.

(f) The company performs a service essential to the community and it is absolutely necessary for this office to be in Shahdara.

Information promised in reply to part (d) of starred question No. 178 asked by Mr. K. S. Gupta, on the 23rd February, 1944.
Anti-Submarine School.

All the non-Indian officers in the Royal Indian Navy are British, except the following:

Australian	5
Canadian	3
South-African	1

Of the above officers, only one (a Canadian) holds a permanent commission in the Royal Indian Navy. All the rest hold temporary commissions in the Reserve or the Volunteer Reserve.

Information promised in reply to starred questions Nos. 195 and 196 asked by Nawab Siddique Ali Khan (on behalf of Qazi Muhammad Ahmad Kazmi) on the 23rd February, 1944.

GENERAL ELECTIONS TO CANTONMENT BOARDS.

No. 195.—(a) The number varies between one to seven in accordance with the population of the Cantonment.

(b) Yes.

(c) No. The information at Government's disposal does not support this view.

(d) No. The sum in question is about Rs. 600.

(e) Yes.

(f) So far as Government is aware such resolutions have been passed only by "the Allahabad Cantonment Tax-payers' Association" and "the U. P. Cantonments Association". The former Association is affiliated to the latter.

(g) Government has considered the matter in all its aspects. The considerations that led Government to the view that General elections should be postponed for the duration of the war are:

(i) The majority of the Provincial Governments, etc., have decided to postpone general elections in municipal and the local bodies in their respective provinces;

(ii) Presidents of Cantonment Boards and other Cantonment officials have owing to the present emergency little time to perform the duties imposed upon them, in respect of elections; and

(iii) Conservation of paper, money, and time, etc.

CERTAIN MILITARY SERVANTS DISQUALIFIED FOR ELECTION TO ALLAHABAD CANTONMENT BOARD.

No. 196.—(a) In a bye-election to the Allahabad Cantonment Board held on 28th March 1943 one of the candidates was a wage-earner on daily wages in the local Arsenal. The Officer Commanding the Station, in his capacity as President of the Allahabad Cantonment Board, having taken legal advice held on revision, under rule 32(2) of the U. P. Cantonments Election Rules, that in these circumstances the candidate was not in the military or civil service of the Crown and that his nomination paper was valid.

(b) No. Government see no reason to differ from the conclusion reached by the President of the Board.

Information promised in reply to starred question No. 240 asked by Mr. K. C. Neogy on the 25th February, 1944.

PROGRESS IN THE ADOPTION OF REHABILITATION SCHEMES IN BENGAL.

(a) (i). Proposals for rehabilitation include the opening and continuing of hospitals, dispensaries, children's home, orphanages, homes for unattached women and other destitutes, milk canteens, work centres for giving training in cottage industry type of work to destitutes.

in centres and at their homes, the grant of special assistance for house-building and also to fishermen, potters and other artisans. These proposals and estimates are still under consideration.

(ii) An ordinance was promulgated to provide for the restoration of agricultural lands sold during 1943 as a result of the prevailing economic distress and a bill has been introduced in the current session of the Provincial Legislature to pass it into law.

(iii) Orders have been issued for the return of boats to fishermen and potters living in the denial and other districts areas either as free grants or on the value of the goods being treated as loans repayable in convenient instalments. Assistance is also being given in the shape of, or for the purchase of, fishing nets, hemp, twine, bark, etc.

(b) and (c). Test works were opened in all districts except in the Districts of Jessore, Nadia, Dinajpur, Rajshahi, Malda, Jalpaiguri, and Darjeeling and over one lakh twenty-seven thousand men and women were helped daily during the most severe period of the distress. Before the commencement of the Aman harvest Test works were gradually curtailed in order that a sufficient number of labourers might be available to gather the harvest. They are going on on a small scale in the Contai and Tamruk Sub-divisions of the Midnapur District, Bhola Sub-division of the Bakarganj District, the Arambagh Sub-division of the Hooghly District, and in the Chittagong and Noakhali Districts. These works are now being done in some places by the District Board and in others by Government Agency. The actual number of people now employed is not readily available. In other distressed areas several are still engaged on Rabi crop cultivation and miscellaneous domestic labour and as soon as necessary test works will be opened in such areas. Private land holders are encouraged to open works by grant of loans under the Land Improvement Act.

Information promised in reply to parts (a), (b) and (c) of starred question No. 244 asked by Mr. Kailash Bihari Lall (on behalf of Mr. Amarendra Nath Chattopadhyaya) on the 25th February, 1944.

MEASURES FOR RATIONING, ETC., IN BENGAL.

(a), (b) and (c). Deficit districts are receiving rice in accordance with a pre-arranged programme drawn up by the Department of Civil Supplies. The retail price for Government stocks of rice is 0-6-6 per seer. There is no limitation as to quantities per head in areas which are not rationed. Supplies are available in the open market. The following districts in Bengal are regarded as deficit districts:

Chittagong, Noakhali, Tippera, Dacca, Faridpur, 24 Parganas, Pabna, Nadia, Darjeeling, Calcutta, Howrah, Jessore, Morahidabad, Hooghly, Rangpur.

Relief work in Bengal is continuing though on a considerably reduced scale. Relief activities are mainly confined to provision of clothing, blankets, and medicines, the off-take of foodgrains being negligible.

Information promised in reply to starred question No. 256 asked by Mr. Lalchand Navalrai, on the 26th February, 1944.

ELIGIBILITY OF EXAMINERS, ETC., IN BOMBAY AND SIND FOR APPEARING FOR INCOME TAX OFFICERS' EXAMINATION.

(a) Yea. There are no rules on the subject, the matter being entirely within the competence of the Commissioner of Income-tax.

(b) and (c). I understand that in the case of such Government servants also the matter is left to the discretion of the authorities competent to grant leave.

(d) Yes, save in cases where leave can be granted without inconvenience to the administration. As the number of candidates for this examination is very large, it is not possible to grant leave in all cases without seriously dislocating the work of the Department. Government do not consider that they would be justified in these circumstances in granting the facilities asked for by the Honourable Member.

Information promised in reply to starred question No. 275 asked by Mr. K. S. Gupta, on the 1st March, 1944.

FAMINE CONDITIONS IN ORISSA.

(a) The Orissa Government have supplied the following information: Famine conditions no longer exist in Orissa, but relief measures are continuing in those parts of the districts of Balasore and Ganjam, which were affected by the cyclone of 1942, and floods and crop failure in 1943.

(b) 15 out of 32 free kitchens opened in the affected areas are still working. The Provincial Government have made Taccavi loans to the extent of Rs. 1,107,000 and free grants of Rs. 206,250 for the purchase of cattle and seeds and for reconstruction of houses damaged by floods and cyclone. Building material has also been supplied in some cases, in addition to money grants.

(c) and (d). Relief works, involving an expenditure of Rs. 2,82,000 have been taken up to provide employment to able-bodied destitutes. Collection of land revenue and Chanki-dar-tax has been suspended. It is estimated that there are 254 orphan destitutes (72 in Balasore and 182 in Ganjam).

STATEMENTS LAID ON THE TABLE

(e) One temporary orphanage has been started by the Provincial Government in Ganjam until the establishment of Wavell Homes, where it is proposed to maintain the orphans. Arrangements have also been made for the maintenance of orphans at Balasore.

There are three private orphanages in Balasore district. Two, at Soro and Jallewar are run by the Servants of India Society, and the third, at Hatigarh, by the Baptist Mission. There are two private orphanages in Cuttack district, one in Ganjam district and two in Puri district.

Information promised in reply to starred question No. 301 asked by Mr. Ananga Mohan Dam on behalf of Qazi Muhammad Ahmad Kazmi, on the 3rd March, 1944.

DISCRIMINATION BETWEEN INDIAN AND ANGLO-INDIAN APPRENTICES AT JAMALPUR WORKSHOP.

(a) Apprentice Mechanics, Indians and Anglo-Indians, draw stipends varying from Rs. 10 to Rs. 30 according to the year of apprenticeship and Rs. 30 per mensem is taken as the price of food supplied free to them.

(b) The price of food supplied to Anglo-Indian Apprentice Mechanics is taken at Rs. 30 per mensem. The reply to the second part is in the negative; the Anglo-Indian Apprentice Mechanics are given an allowance sufficient to bring their emoluments up to Rs. 55 after taking into account their stipends and the value of food, viz., Rs. 30.

(c) On the East Indian Railway, all Apprentice Mechanics, irrespective of the community to which they belong, who live in railway hostels and who receive free board and lodging, are paid dearness allowance at one-third the normal rate. Special Class Apprentices are given dearness allowance at 90 per cent. of the normal rate.

(d) Does not arise.

Information promised in reply to part (b) of unstarred question No. 139 asked by Mr. H. M. Abdullah, on the 16th March, 1944.

CATERING FOR MUSLIMS ON QUDH AND TIRHUT RAILWAY.

The contracts at the most important stations on the O. & T. Railway are divided between Messrs. Ram Saran Pershad, Messrs. Mohd. Jan & Sons, Messrs. Singh & Sons, Messrs. Kadir Bux & Sons and Messrs. Ganesh Lal & Sons.

MOTION FOR ADJOURNMENT.

FAILURE TO PRESERVE THE LIBRARY AND DOCUMENTS OF THE ALL-INDIA CONGRESS COMMITTEE UNDAUNED.

Mr. President (The Honourable Sir Abdur Rahim): I have received notice from Mr. K. S. Gupta that he intends to move the following adjournment motion to discuss a matter of urgent and public importance, namely, the failure of the Government to take necessary precautions to preserve the library and other documents of the All-India Congress Committee, sacred property of the nation, from being destroyed and damage as it is evidenced by the condition of a large number of files, printed documents, typed records and books, reduced to dust by white-ants, when the office of the All-India Congress Committee was unsealed for a few hours for cleaning after 18 months.

Who put the seal on the office of the All-India Congress Committee?

Mr. K. S. Gupta (Ganjam cum Vizagapatam: Non-Muhammadian Rural): It is the Government of India that is responsible for it.

An Honourable Member: Who put the seal?

Mr. K. S. Gupta: I do not know.

Mr. President (The Honourable Sir Abdur Rahim): I suppose it is the business of the Local Government. Where did this happen?

Mr. K. S. Gupta: In Allahabad, U. P.

Mr. President (The Honourable Sir Abdur Rahim): The office of the All-India Congress Committee was apparently sealed by the Local Government, and it is the business of the Local Government to look after it. I hold that the motion is not in order.

ELECTION OF A MEMBER TO THE CENTRAL COMMITTEE OF THE TUBERCULOSIS ASSOCIATION OF INDIA.

Mr. President (The Honourable Sir Abdur Rahim): I have to inform the Assembly that upto 12 Noon on Friday, the 24th March, the time fixed for receiving nominations for the Central Committee of the T. B. Association of

[Mr. President.]

India only one nomination was received. As there is only one vacancy I declare Dr. Sir Ratanji Dinshaw Dalal to be duly elected.

Mr. President (The Honourable Sir Abdur Rahim): Honourable Sir Muhammad Azizul Huque.

The Honourable Sir M. Azizul Huque (Member for Commerce and Industries and Civil Supplies): As my motion* will take a little time in view of the amendments of which we have received notice and as we have not been able to discuss them with the Honourable Member, I do not wish to move the motion* to-day. I will take an opportunity of doing so at a later stage.

THE INDIAN FINANCE BILL—contd.

Mr. President (The Honourable Sir Abdur Rahim): The House will now proceed with the further consideration of the Finance Bill.

Sir Henry Richardson (Nominated Non-Official): Sir, I have only a few matters to speak about and I shall not take very long.

In the course of his interesting speech on Friday last my Honourable friend, Sir Cowasjee Jehangir, who is not here just now, mentioned amongst other things the scandal of tax evasion, the increasing burden falling on the staff of the Income-tax Department and the question of deferring the pay as you go scheme until the arrears of tax are collected. I propose to deal with these matters when the Income-tax Amendment Bill comes before the House. So that will not only shorten my remarks on this occasion, but will, I hope, save my Honourable friend, Syed Ghulam Bhik Nairang, who also is not there, a further attack of mental indigestion which he said Sir Cowasjee's speech had provoked.

So far as business interests are concerned, the proposal affecting them most in this Finance Bill is perhaps that contained in Clause 8 which deals with the increase in the compulsory deposit of the excess profits tax from 1/5th to 19/64ths. The intention is, of course, to immobilise the whole of the Excess Profits and it was clear from the Honourable the Finance Member's Budget speech that this is an anti-inflationary measure. To that object we have already given our support; but in doing so again, it is our duty to bring to Government's notice the hardship case which inevitably arises.

I refer to the hardship which will be involved in certain cases where the amount required by the compulsory deposit of excess profits tax which this Bill will enforce, coupled with the taxation proposals—by which I mean excess profits tax as well as income and super tax—will actually exceed the total assessable income. I am aware that this can apply only to individuals and partners in firms and that it does not apply to incorporated companies. The point is that it seems inequitable that these compulsory deposits plus the taxation proposals should take away from such individuals more than their total assessable profits, and although it may be argued that such cases will be few, that does not, in our opinion, justify no provision being made in the Bill for the alleviation of this inequitable position. After all, the income-tax officers who will have to operate this measure must, as we know from experience, act more often in accord with the exact letter of the wording of the Act rather than in a manner which might alleviate hardship by their operating within what I might call the spirit of the intention. Whilst, therefore, the Honourable the Finance Member might consider the case would be met by his giving an assurance on the floor of the House that sympathetic consideration would be given to all such cases, I am afraid that this will not be entirely acceptable. We, of course, appreciate that any such assurance which the Finance Member gives is genuine, but it is impossible for him to guarantee that in all cases which will arise, it will be observed in spirit by the various officials who have to operate the Act. We

*That this Assembly do proceed to elect, in such manner as the Honourable the President may direct, five non-official Members to serve on the Standing Committee to advise on subjects, with which the Commerce Department is concerned."

THE INDIAN FINANCE BILL

would, therefore, request Government to consider how these cases can be met by inserting in the Act some suitable amendment. Obviously it is very difficult for any lay person to draft an amendment to such a complicated measure as the Excess Profits Tax Act or the Indian Income-tax Act, and if Government accept the justification of my argument, as I hope they will, perhaps they will also consider my request to provide an amendment to meet the case. I am, of course, aware, that Government have already given notice of certain amendments, and if they do adequately alleviate the hardship I have mentioned, then I shall be satisfied and very grateful. But since it is obvious there may not be an opportunity to discuss either the clauses or these amendments, I have felt it necessary to place my case on record at this stage.

I now turn to another matter which arises out of the Finance Member's proposals but affects the Commerce Department. I want to suggest for the consideration of Government an amendment to the Companies Act whereby Directors may be empowered to set aside reserves equal to the compulsory deposits now to be made under the Finance Bill in addition to any reserves permitted by a company's articles of association. It has been brought to our notice that difficulties may be experienced by certain companies in resisting demands for increased dividends from shareholders by reason of the fact that the directors under the articles of association are not empowered to transfer to reserve, without the previous approval of shareholders, more than certain specified proportions of the profits. In most cases the interests of the country and of companies will be served best by transferring to Reserve all the amounts compulsorily deposited under the Finance Member's proposals. Directors of companies, who are bound to see that steps are taken to make these deposits, have in many cases insufficient powers to transfer to reserve since before they could do so they would need the shareholders' approval of appropriate alterations in the articles of association. In practice, this is not always easy to obtain. The alternative would be to leave the balance of profits carried forward inflated by the amounts of the compulsory deposits. This would involve the probable constant claim by shareholders for a larger dividend which is exactly what the Finance Member wishes to avoid. Even at this early stage there is evidence that the compulsory deposits may be raided by shareholders demanding payment of dividends equal to the deposits out of reserve funds. I will read an extract from a Bombay paper, dated the 20th March 1944, which deals with the report of a particular company. (*An Honourable Member*: "What is the name of the paper?") It is the *Indian Annalist*. This is what it says:

"I do not see, looking at such a strong financial position why the directors should consider placing any more sums to depreciation, whilst the reserve fund could be depleted to the extent of the amount being put aside for compulsory deposit. If this is not done, the shareholders have a legitimate grievance."

The pressure has therefore already started and the practical solution seems to be for Government to support their demand for compulsory deposits by amending the Companies Act with a provision conferring on Directors of companies the power to set aside reserves equal to such compulsory deposits in addition to any reserves permitted by the articles of association of the company and I put forward this explanation and suggestion for Government's consideration.

I have one other suggestion to make for the consideration of Government which is that steps be taken to track down and draw into Government coffers the large amounts of surplus hoarded cash which constitute so strong an actual and potential influence in the creation of black-markets and the hoarding of consumer goods. Obviously it is for Government to devise ways and means of dealing with this important question and from an anti-inflationary standpoint, I urge that Government should vigorously prosecute such a policy concomitantly with the taxation measures visualised by the Finance and Income Tax Bills.

Now, Sir, I want to try and obtain the Finance Member's assurance on a matter which has caused very great concern in recent months amongst commercial interests in this country—and I do not mean merely concern by the interests which I represent, for it was general throughout the country. I refer to the draft E. P. Tax Computation of Profits and Capital Rules which were

[Sir Henry Richardson.]

issued by the Finance Department some little time ago for the purpose of eliciting public opinion. Those proposals, although undoubtedly designed for anti-inflationary purposes, contained certain implications which, despite their support to anti-inflationary measures, would have necessitated the strongest opposition from affected interests as was evidenced by the widespread protests made from all parts of India. I hope the Finance Member's Budget proposals are designed to procure by alternative means the anti-inflationary effect for which these Rules were to some extent intended and that therefore in giving our support to this Bill, we are entitled to ask the Finance Member for assurance that these objectionable draft Rules will be dropped. I hope he will be able to comply with this request.

Sir, during the course of this debate I have not been unaware of an attitude in certain parts of this House, which imputes to the British commercial community a wish to profit unduly by the circumstances of the war and a fictitious ability to influence the Government, so that they may legislate in a manner favourable to our interests. Such charges as have been made have of necessity been vague since they have no foundation and are based upon political prejudice combined with industrial ignorance. The taxation which during the past four years has been imposed upon commerce and industry has fallen upon the interests which I represent as heavily as it has fallen upon Indian interests. I do not deny the right of the latter to advance arguments which oppose taxation proposals but, in all fairness, I ask this House to cast its mind back to the attitude which we on this side have consistently made clear in the matter of war taxation. I myself have, on more than one occasion, pointed to the moderate character of the burdens which we have been asked to bear, more especially in view of the vital issues at stake. We may try to be good businessmen but also try to be good citizens, who realize that the war must be won whatever the sacrifice. I confidently affirm that our attitude has consistently carried this significance and far from exerting a problematical influence upon Government to limit the burden which we have to bear, we have more usually encouraged the Finance Member in his predatory activities.

An Honourable Member: Question.

Sir Henry Richardson: Finally, Sir, it falls to me to refer, on behalf of the European Group, to the impending departure of a familiar figure on the Treasury Bench—Sir Reginald Maxwell.

I do not intend to indulge in a long discourse upon his many virtues. I merely offer to him the tribute of our deep admiration for the courage, the integrity, the devotion and the skill which he has applied to his onerous duties, and to this I will be bold enough to add a flight of fancy.

Many of us in our youth struggled somewhat unwillingly through the epic of Horatius—he that held the bridge. To some of us hereafter, there may come a vision of another and more modern Horatius. Horatius, a little worn perhaps by the passage of long years during which he has not laid aside his armour, a little worn also by occasional bouts of lumbago, but always defending his bridge with the same imperturbable courage, the same honesty of purpose conveyed by the same lucidity of expression and the same dry humour which has endeared him even to those who have most bitterly attacked him.

Sir, all of us in this House, whatever be our political opinion or our views with regard to the policy of Government, are at one in wishing him Godspeed and may I express the sincere hope that he will long enjoy the leisure which he has so well earned.

Dr. P. N. Banerjee (Calcutta Suburbs: Non-Muhammadan Urban): Sir, this Finance Bill seeks to impose additional taxation. But such additional taxation is not desirable, necessary or justifiable. The burden of the proposed additional taxation will fall on all classes of the people, from the rich to the very poor. If the burden had been so adjusted as to make it fall only on shoulders which are able to bear it, there would have been less objection to this Finance Bill. But, as it is, we find that a great part of the burden will fall on the poorest classes of the population. My Honourable friend, Sir Jeremy Raisman, says that tea,

THE INDIAN FINANCE BILL

tobacco and betelnuts are not essential necessities; but he forgets that these are conventional necessities. And when conventional necessities stand side by side with essential necessities, it often happens that essential necessities are sacrificed for the sake of conventional necessities. It appears to me that the poor people of India will rather curtail their expenditure on food and the milk for the baby than go without their tea, tobacco and betelnuts.

As regards his income-tax proposals, I have no quarrel with him on the ground of principle. The burden of these proposals falls on shoulders which are well able to bear it. But there is another aspect of the question, namely, the capital for industry which must come from the earnings and savings of the income-tax payers. Therefore, these are not entirely free from objection.

I will now point out how additional taxation is unnecessary. The Finance Member's budgets have always shown that revenue is under-estimated and we all know that the under-estimate of revenue in this year's budget is due to the fact that he credits less for the excess profits tax, the income-tax and the super-tax. If this view of the matter proves correct, then the Finance Member will have a much larger revenue than he expects today. There is another source from which the Finance Member can obtain considerable sums of money, that is, from economy and retrenchment.

Sir, the subject of economy was discussed at considerable length the other day and I will not go into the details of the question now. But I will point out that so far as both civil and military expenditure is concerned, a Committee on national expenditure would be very useful. The other day Professor Hill, an eminent economist and a distinguished Member of the British Parliament, told us that the Committee on National Expenditure in England has done wonderful work in reducing expenditure in that country. Why don't you appoint such a Committee here? If such a Committee is appointed, I am sure that expenditure on both the civil and the military side will be greatly reduced.

Then, again, we are not satisfied with the financial settlement with regard to defence between England and India. It is likely that if the financial settlement is made on a more equitable basis, then we shall be able to spend much less on defence than we do now. In this connection I may point out that in the other House it was mentioned the other day that Government of Britain spent 940 crores in India during the last few years for the purpose of defence. Now, this amount of 940 crores in four is a trifle to the British Exchequer, but even 23 crores in one year is a very large sum for the people of India. If instead of 940 crores, Britain spends 963 crores, there will be no appreciable addition to the burden on the shoulders of the British people. In this connection, I may remind the House that, as the *Economist* puts it, the amount which is spent on cigarettes by the Britisher is equal to the whole amount which is spent by an Indian on food in the course of a year.

Now, I will show that additional taxation is unjustifiable. We have been burdened with measures of taxation year after year; the present proposals have been preceded by 8 or 9 previous measures of taxation. All these taxation measures taken together impose a very heavy burden on the people. Therefore, the imposition of a further burden is unjustifiable.

From the constitutional point of view also, additional taxation is unjustifiable. This Assembly possesses only very limited powers over taxation and that fact is known to the Honourable the Finance Member and the Government of India. Therefore, the greater responsibility rests with them not to increase taxation beyond certain limits. But they have ignored this fact altogether.

There is another constitutional objection to this Bill, namely, that this Bill has been brought forward without redressing the grievances of the people.

Sir, I will now discuss the grievances which the people of India have to suffer under. The first and the most important of these grievances is the Bengal famine and the unsatisfactory food situation in many other parts of India. The food question is important enough to deserve separate treatment on days separately allotted for the purpose. But this has not been done. The Government have not been able to spare time for the discussion of the subject, although they have been able to spare time for so many other objects.

[Dr. P. N. Banerjee.]

The other day it was stated in the other House that there was difference of opinion among the Members of this Assembly with regard to the allocation of days for food debate. This is not wholly correct; this is only partially correct. The fact of the matter is that all the Parties in the Opposition demanded a debate on Food with the single exception of the European Group, and that the view of this Group prevailed while the views of the four other Parties were regarded as of no effect. Was this right? I do not wish to use any hard words about the attitude of the European Group, but it appears to many that it does not matter to that Group whether millions of people live or die; it is a trifling matter to them that several millions have already died. These deaths are not unwelcome to them for they make the white man's burden less heavy.

Coming to the Food situation, I wish to express my dissent from the view expressed by Mr. Amery that the Bengal famine is an act of God. It is not an act of God, it is the act of man, it is the act of the Government. It was criminal negligence and thoughtlessness on the part of the British Government and their subordinate branch, Government of India, that was the primary cause of this disaster. Added to this was the incompetence of the Government of Bengal which was served by officers, high and low, of a calibre far lower than that required for averting a famine. Corruption and incompetence characterised the administration of Bengal during the whole period of this famine. But I do not agree with the Secretary of State when he tries to throw the whole blame on the Bengal Ministry. The Bengal Ministry is worthy of severe condemnation, but the fault should not be entirely laid at the door of this Ministry. During the greater part of this famine the Governor of Bengal, Sir John Herbert, initiated measure which led to the most disastrous results.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member cannot criticise any Provincial Government here.

Dr. P. N. Banerjee: He is no longer the Governor of Bengal, nor is he in the land of the living.

Mr. President (The Honourable Sir Abdur Rahim): That makes no difference.

Dr. P. N. Banerjee: Sir, is it your ruling that no acts of an ex-Governor of a Province can be criticised here?

Mr. President (The Honourable Sir Abdur Rahim): My ruling is that you are not to criticise the Provincial Government in this Assembly.

Dr. P. N. Banerjee: In that case, it cannot be discussed at all. The food problem is a problem which has been administered by the Province.

Mr. President (The Honourable Sir Abdur Rahim): The Honourable Member can criticise the Government of India so far as their responsibility relating to food problem is concerned, but he cannot criticise any action of the Provincial Government.

Dr. P. N. Banerjee: But the problem is connected with this matter, it is connected with the provincial administration.

Mr. President (The Honourable Sir Abdur Rahim): That may be, there is the Legislature functioning in Bengal whose duty it is to criticise the Provincial Government for any action they may take.

Dr. P. N. Banerjee: I may point out in this connection that provincial autonomy as it exists at the present moment is a mere sham.

Mr. President (The Honourable Sir Abdur Rahim): The provincial autonomy is there and that is quite enough.

Dr. P. N. Banerjee: Therefore, this Assembly and this Government of India should exercise control over the Provincial Government.

Mr. President (The Honourable Sir Abdur Rahim): My ruling is that this Assembly cannot criticise the action of the Provincial Government.

Dr. P. N. Banerjee: I will pass on to the Centre now. At the centre what was the situation? Lord Linlithgow was in charge of the Food Department for several months, and this was a crucial period during which the food situation went from bad to worse. It appears, therefore, that the whole administration from the highest officer in the British Government to the lowest in the Provincial Government was responsible for this disaster. I am unable to apportion

any measure of praise or blame to the different parts of the administration. But all that I can say is that all must share the blame. As regards the exact proportion of the blame, that can be found out only by an impartial and independent tribunal. It was suggested here during the last Session that the high officers of Government should be impeached. That is a demand which is fully justified and we should press this demand even now. But I may tell my Honourable friends that the days of high souled statesmen like Burke and Fox, and like Pitt and Sheridan, are gone and the days of petty minded politicians have come. Therefore, even if they are impeached no good is likely to arise from that.

Sir, what is the present position? It is said in many quarters that famine has ceased to exist. That is far from correct. Things are not at all normal at the present moment. In this connection, Sir, I should like to refer to the statement which was made by Mr. Arthur Moore a few days ago at Dacca. He says:

"The big problem now is the legacy of famine, incapacitated widows and orphans and the children of the lower middle classes, fishermen, cobblers and so forth. They are not paid even now nearly enough to enable them to feed and clothe themselves sufficiently. Temporarily the actual famine is over, but there is widespread epidemic, disease and debility, lack of infectious hospitals and so forth."

His conclusion is:

"If we can produce the energy, the service and the money we can cope with it. But we cannot afford to go on in Bengal as we have been going on."

These words are significant. There is a tendency on the part of the authorities both here and in Bengal to go on as they have been going on, and if that continues the situation will again become worse and there is a likelihood of another famine this year.

Sir, Mr. Arthur Moore gave an interview at Dacca and he knew the situation as it existed only in the larger towns of the country. Therefore, the view taken by him was not absolutely correct. Here I hold in my hand a cutting from the newspaper *Basumati*, in which this news has appeared after having been censored by the Government of Bengal. It reads thus:

"Batches of destitutes are again pouring into the town in a very weak state of health. The body of a destitute was found lying on the Rangpur Road for some hours while another was seen being devoured by vultures and jackals on the station approach road."

Are things normal in Bengal at the present moment? No, they are far from normal; and that is proved by the fact that high prices of rice still obtain in all parts of that province. If we look at the *Calcutta Gazette* we find that rice could scarcely be obtained in the open market at the controlled rates in the districts of Dacca, Chittagong, Noakhali, 24-Parganas, Nadia, Jessore and Narail on the 9th February, 1944; and on the 8th March, 1944, rice was hardly available at Dacca, Faridpur, Chittagong, Tipperah, 24-Parganas and Jessore. And what about the prices? On the 2nd March the price of rice at Manikganj varied from Rs. 17-8-0 to Rs. 19 a maund; no *atta* was available at all. On the 4th March at Narainganj the price of rice was Rs. 16 and at Rajshai Rs. 14-8-0. On the 5th March the price of rice at Barisal was between Rs. 14 and Rs. 14-8-0 and at Madaripur between Rs. 16 and Rs. 16-8-0, at Dacca between Rs. 15-4-0 and Rs. 17-8-0, and at Jessore about the same. In many of these places coal was not available and *atta* was mostly unavailable. What does this show? This shows that the price of rice is even now four times the normal price. Can things be regarded as normal when the price is so high? Certainly not.

Now what is the attitude adopted by the Government with regard to this question? The same attitude of callousness, of complacency and of concealment. These were the things which were at the root of the trouble last year. These things prevail even now callousness, complacency and concealment. These things prevail even now in Bengal and to some extent at the centre. I must say that the present Food Member is exerting himself sincerely and actively to relieve the situation in Bengal, but he is served by a Secretary who is making irresponsible statements and telling the people that things are normal and that there is nothing to bother about. He has been contradicted by no less a person than the Honourable Dr. Hriday Nath Kunzru who has personal acquaintance with

[Dr. P. N. Banerjee.]

the situation in Bengal and who is a true seryant of Mother India. If Mr. Hutchings persists in telling what is not true, however great his abilities may be, he should not find any longer a place in this department. For the position of Secretary of the Food Department we require a man who has an abundance of sympathy, a great deal of foresight and imagination and keen sense of devotion to duty and who is actuated by a sincere desire to help the people out of the distress.

Sir, the situation is still very abnormal; but what are the steps taken to remedy it? If I refer to the past I refer to it because I think we should learn our lesson from our experience of the past. It is not my object to dwell on the past because I want to blame those people who are responsible. They are blameworthy, but it is not my present purpose to blame them. As regards the future I should like to suggest that both the Government of Bengal and the Government of India should cast aside their present attitude and adopt an attitude which will be of real benefit to the people of Bengal. I wish to suggest, first, that in Bengal the procurement and distribution of rice should be left to ordinary channels of trade. This will help to inspire confidence in the minds of the people. During the whole of last year there was a great deal of bungling and muddling because the officers who were engaged in handling the situation did not possess the requisite experience and many of them were not honest and above board. It must also be remembered that agents were appointed to procure food who were not honest. Just at the present moment we are reading in the newspapers that one of these agents is being prosecuted at Jubulpore for bribery. Therefore, I suggest that the Government should not take in its own hands either the matter of procurement or of distribution. These should be left to the ordinary channels of trade and when the people find that the ordinary channels of trade are functioning that fact in itself will inspire the people with confidence.

Secondly, I suggest that the Government should not buy large stocks. The mistake that was made last year was that the Government of Bengal and the Government of India purchased large stocks for their servants both on the civil side and on the military side. This was a great blunder. When large stocks are removed from the market a shortage—perhaps an artificial shortage—is created, and it was the creation of this shortage that resulted in want of confidence which had repercussions in hoarding and profiteering. Therefore, no large stocks should be kept either by the Government of Bengal or by the Government of India. They should buy in the open market at the prevailing prices. They should not send out their agents to the different parts of Bengal in order to buy rice. The Government should prevent the railways, the commercial firms, the planters, and the business community generally from procuring large stocks. It is said that these large stocks are kept with the object of helping their employees and servants. But this is an undesirable method; this is anti-social. When you keep large stocks only for a limited number of persons leaving the rest to feel the effects of shortage, the step becomes anti-social. This state of things should be prevented by all means.

Thirdly, I suggest that adequate transport should be provided in order that foodgrains from the surplus areas may be moved to the deficit areas. All forms of transport will have to be provided, not only road transport but motor transport, also steam navigation, country boats and bullock carts. In this connection, I may point out that Government did a very wrong thing when they destroyed several forms of transport. Boats provide the normal mode of transport in Eastern Bengal and these were destroyed during the last year. It is estimated that about twenty-five thousand boats were taken away and either destroyed or kept in places where they were of no use.

The Honourable Sir Edward Benthall (Member for Railways and War Transport): By whom is it estimated?

Dr. P. N. Banerjee: This is the general estimate, but you may challenge it. You may put forward figures to show that this is an over-estimate. Are you prepared to prove that this is an over-estimate?

Mr. Akhil Chandra Datta (Chittagong and Rajshahi Divisions: Non-Muhammadan Rural): This was the estimate given in the other House on behalf of Government.

Dr. P. N. Banerjee: I am thankful to my Honourable friend, the Deputy President, for reminding me that this was the estimate given in the other House a few days ago. And it was further said in the other House that attempts are being made to reconstruct and re-float ten thousand out of these twenty-five thousand boats. But when is that to be done? The reply is: in the rainy season. But that will mean that during all these four or five months there will be no movement of crops from surplus areas to deficit areas. Is that right? The Government should restore all the boats which were taken by them, namely 25,000, if that be the estimate of Government. Then, Sir, they also removed many of the bullock-carts in many parts of the country. That was wrong. These should be given back.* Steamship communication, river transport and road transport should be adequately supplied. If all these things are done, there will be great improvement in the matter of distribution of foodgrains throughout Bengal.

Fourthly, I will suggest that Government should exercise strict supervision and control over the trade of the country without themselves engaging in that trade. If they find that there is any hoarding and profiteering anywhere, they should put the law in motion and they should inflict the severest punishment on the wrong-doer. In this connection, I may say that under the Defence of India Rules the Government has very large powers to bring offenders to book without much delay and without much inconvenience to the rest of the society; they cannot plead helplessness.

Fifthly, I suggest that Government should in the case of a deficit in the whole of Bengal ask the Central Government to supply foodgrains from other provinces.

And lastly, the Government of Bengal should adopt in all sincerity and in all earnestness the policy of growing more food. So far the Government have relied mainly on propaganda, but Government forget that 90 per cent. of the people are illiterate and practically 99 per cent. of the poor people—the agriculturists—are unlettered. Therefore, newspaper propaganda will not do; nor will distribution of leaflets and pamphlets suffice. You will have to send out agricultural officers to every village urging the people to grow more food and not only should they urge the people, they should enable them to grow more food. You should provide them with better seeds. You should provide them with fertilizers, you should provide them with finance

12 Noon. and you should place at their disposal implements. The Government should also try to bring under cultivation waste land by the use of tractors and other modern means of cultivation. If all these measures are adopted then and then alone can the food situation be improved in Bengal. Otherwise, things will go from bad to worse.

Sir, I should like to say a word about rehabilitation. I am glad to read in this morning's newspapers that the Government of Bengal have provided Rs. 4 crores for rehabilitation and that they are preparing a scheme for that purpose. They have my best wishes for this object, but I hope that they will be able to carry it out with that amount of efficiency which is needed and which they have not so far been able to show, and that no kind of favouritism or no sort of corruption will enter into the giving effect to this humanitarian measure of rehabilitation.

Coming to the Centre, I would urge, first, that they should also take adequate measures of relief. I am glad that His Excellency the Viceroy regards the food question as an all-India question and I hope the Government of India would never lose sight of this view. That is the correct view to take, and if the Government bear in mind the words of His Excellency they should take energetic and earnest measures to help the people of Bengal out of their present distress. The Central Government should exercise control and supervision over the acts and inaction of the Provincial Government in this matter.

[Dr. P. N. Banerjee.]

and as I have already said, any theory of provincial autonomy should not stand in the way of saving the lives of millions of persons.

Secondly, the Central Government, should provide foodgrains to the Province of Bengal whenever there is any need and for that purpose adequate transport arrangements must be made. This food should be procured not merely from the other provinces, but if necessary, also from the other countries.

Thirdly, the Central Government should help the improvement of agriculture in Bengal and not only in Bengal but in all the provinces by giving financial assistance, by lending the services of experts for growing of more food and in various other ways.

Fourthly, the Central Government should give adequate assistance to the Government of Bengal for their rehabilitation scheme. I am aware that the Finance Member has provided a sum of money in the coming years for the purpose of helping the Province of Bengal, but this meagre help will not be of very great use. Further assistance will have to be rendered.

Lastly, I would urge that the Central Government should approach the British Government and the United Nations to come to the rescue of India, because the Bengal famine is really one of the important incidents of the present war. Therefore, neither the British Government nor the other United Nations can afford to sit idle while millions of people are dying in Bengal.

As regards the great magnitude of the disaster, there is no difference of opinion. But the calculations regarding the number of deaths which have been due to starvation vary. Mr. Amery said in the British Parliament that the total number of deaths was less than one million. The Government of Bengal have now furnished figures to show that the deaths amount to about seven lakhs. I have no faith in these statistics. Mortality statistics have never been properly collected and at the present moment the method of collection is very unsatisfactory. Besides, it is well known that the dead bodies were not always cremated or buried and no regular register was kept even of cremations and burials. I read out to this House a few minutes ago newspaper extract only this morning that many dead bodies were eaten away by jackals and vultures. Thus no appropriate account could be given, and I would attach no importance to the figures that have been supplied. The Anthropological Department of the Calcutta University have calculated that the deaths amount to over three millions. Taking a mean between the underestimate of the Government of Bengal and what may be regarded as overestimate of the Anthropological Department of the Calcutta University, we may safely say that at least two millions of people have died during the famine. In any case, this was a great disaster. Can it be said that during this war so many persons have died in actual fighting—seven lakhs at the lowest estimate and two millions at a moderate estimate? No. And can anybody point out that in any country, civilised or uncivilised, such a famine has ever taken place in recent years? Surely this is one of the blackest chapters in the history of British rule in India and I hope and trust that all Members of the Central Government and of the Provincial Governments as well as the British Government will do their very best to see that another black chapter is not added to this history.

Sir, I have no time to discuss the food situation in other parts of India, nor does my knowledge entitle me to do so. But I must say this that the food situation in other parts of India is also very unsatisfactory. It is very grave, as has been pointed out, and the Government of India should bear this in mind.

In addition to food there are certain other necessities for want of which also the people of Bengal are suffering very greatly. These are salt, kerosene, cloth and drugs. With regard to salt it may be said without any fear of contradiction that Bengal is going through a famine at the present moment. In many places within that province salt is not available at all.

Mr. Akhil Chandra Datta: In Calcutta it is not available.

Dr. P. N. Banerjee: My Honourable friend points out that in Calcutta it is not available; and where it is available, it is available only at a very high price. That is most unsatisfactory, and the Government of India should do their best to provide salt to Bengal without any delay at all.

Then I come to cloth. My Honourable friend, the Commerce Member, said the other day that cloth prices have greatly decreased. I admit that there has been some diminution in cloth prices, but can he say that cloth prices are such at the present moment that they would enable the poor man to buy cloth? They are inordinately high even now. In this connection I should like to point out that the policy of exporting cloth from India to other countries has been very wrong. My Honourable friend's plea would be that India should have a market in the Middle East—in Palestine, in Egypt, and other nearby countries. But when his own country is suffering so much now from want of cloth, should he think of exporting cloth. I may tell my Honourable friend that after the war those countries which now import cloth will not purchase any cloth from India, they will get them from Germany and other nearby countries.

An Honourable Member: From Japan.

Dr. P. N. Banerjee: Coming to coal, I need hardly say that the sufferings of the people on this account are very great. Even in Delhi, the capital of India, we do not obtain coal unless the Government be pleased to supply us with permits. This is a scandalous state of things. I know that just at this moment a policy with regard to coal has been adopted for developing the coal resources of the country. I am not an expert in this line and I do not know how far this policy will be crowned with success. But I must say that in the past the policy of the Government has been not only of a blundering character but of a character which does not redound to their credit. The coal policy of the Government has been framed not with a view to assisting Indians but with a view to assisting other countries. Exports were made from time to time and the collieries, of which the proprietors were Indians, were not allowed to be developed. I hope there will be a change of policy in this respect in the near future.

I am sorry my Honourable friend, the Commerce Member has left the House just now, but I wanted to tell him something about the jute position.

An Honourable Member: There are others to watch for him.

Dr. P. N. Banerjee: I will discuss that presently, but in the meantime I will say a few words about the loss of cattle which has been due to this war. I have a quotation here from the *Economist*, which says, that the drain of the cattle wealth of the country owing to the war has left the country in a very impoverished condition and the Government should not neglect its duty in this matter. Cattle is needed not only for agricultural purposes, but also for milk, particularly for the babies. I have not seen anywhere any account given of Government's attempt to develop the cattle wealth of the country.

I now come to jute which is a substitute crop—a crop which is sometimes substituted for foodgrains. In regard to jute the other day my Honourable friend, the Commerce Member, said with a fanfare of trumpets that he had adopted a policy which would do very great good to the country. But it appears that the jute policy of the Government of India and of Bengal . . .

Nawabzada Muhammad Liaquat Ali Khan (Rohilkund and Kumaon Divisions: Muhammadan Rural): It is the *jhut* policy?

Dr. P. N. Banerjee . . . is adopted from time to time in order to suit the interests, not of the jute growers, but of the jute balers, and the European merchants engaged in jute trade in India as well as in the interests of Great Britain and the United States of America. It is really a *jhut* policy.

I now come to drugs. We all know that the country is in the grip of malaria. But for several months no quinine was obtainable in any part of India. Even in Delhi at certain times quinine was not available. During the last session of the Assembly I had two attacks of influenza and my doctor said that as a pre-

[Dr. P. N. Banerjee.]

Sir, in this connection, I should like to refer him to an anti-inflationary Bill which was passed by the United States of America two years ago. The question arose with regard to an increase of fares in India. In the United States law it is definitely laid down that no public carrier will be allowed to raise the fares in America. Thus the raising of fares is regarded as an inflationary measure in the United States of America, but here in India, strangely enough, it is regarded as an anti-inflationary measure. It is the curious logic of the Government of India.

Sir, I now come to the political aspect of the question. We read every day in the newspapers about the methods to be adopted to resolve the deadlock in this country. But nothing has so far been done. And what is the situation in India at the present moment? The situation is that large numbers of persons are rotting in jail and many of these persons have died. Is it desirable to continue this state of things for any longer time? The answer should be an emphatic 'no'. But, then, what steps should be taken? A solution of the deadlock should certainly be brought about. British statesmen have been suggesting time and again that a solution of the deadlock can come if the different Parties come together. The latest pronouncement in this respect is that of Lord Halifax. He says that until India is unified, there will be no freedom in this country. This is a challenge, which I will ask my Honourable friends to take up. I will ask them to have unity amongst us, so that we may obtain freedom. But the attitude of British statesmen is such that we cannot place much reliance on their pronouncements. The attitude of the American statesmen is better. They say that India is the acid test for the Allies; the manner in which India is treated will decide how the future of the world will be fashioned. Sir, the well-known editor of the *Economist*, Sir Walter Layton, who paid a visit to this country about 14 or 15 years ago, says that whatever arrangements are made for an international order, unless India is placed in her proper position, such international order will fail. These are words worth pondering over. I was glad that my Honourable friend, Sir Muhammad Yamin Khan, said the other day that the British are not only creating and fostering differences amongst us, but that they are doing so with the object of exploiting us. I hope such exploitation will cease soon and we shall be able to come to a settlement immediately so that India may attain complete freedom and independence.

Sir, I have discussed this Bill both on its merits and from the constitutional point of view. I have pointed out that on merits this Bill is undesirable, unnecessary and unjustifiable. I have also shown that there are at least two constitutional objections to the passing of this Bill. These considerations compel me and my Party to oppose the motion before the House.

Nawabzada Muhammad Liaquat Ali Khan: Mr. President, my original intention was not to refer to the composition of the Executive Council of the Governor General of India, because this Honourable House, by its vote the other day in refusing supplies to the Executive Council, had shown its complete lack of confidence in it. That vote, Mr. President, was a true reflection of the practically unanimous opinion in the country; but since then one of the Indian Members of the Executive Council has chosen to make what has been described as a political speech,—a speech which was described by one of the Members of the European Group as brilliant and I think it would be discourteous on my part not to take notice of the observations that were made by the Honourable Dr. Khare. Sir, I am sorry my Honourable friend is not present in this House now, but I had sent word to the Government to request the Honourable Dr. Khare to be present, because I hate to say anything in a person's absence.

The Honourable Sir Sultan Ahmad: (Leader of the House): Word was sent to the Honourable Dr. Khare a few minutes ago. We at once tried to find where he is, but we have not been able to find him.

Nawabzada Muhammad Liaquat Ali Khan: Time and tide wait for no one and therefore my remarks also cannot wait.

The Honourable Sir Sultan Ahmed: Of course, not.

Nawabzada Muhammad Liaquat Ali Khan: Sir, the Honourable Dr. Khare started his speech with a misquotation from Shakespeare.

The correct and fuller quotation would be:

"All the worlds' a stage,
And all the men and women merely players;
They have their exits and their entrances,
And one man in his time plays many parts."

The Honourable Dr. Khare has, on his own admission, proved the truth of what that great student of human psychology had stated so many hundred years ago. The Honourable Dr. Khare told us of the many parts which he had played in the political drama of this country, and his speech was lustily cheered by the official Members and by my Honourable friends of the European Group. I should warn them all to beware because you can never tell what part he is going to play next. Sir, my Honourable friend, Dr. Khare, complained that the Members of the Opposition had thrown rose petals at the European Members of the Executive Council and flints—I am using his own expression—at the Indian Members. I should have thought, Mr. President, that instead of complaining, he should have been thankful because that shows that his countrymen have not yet lost all hope in him and his Indian colleagues. Mr. President, flint, when it strikes steel, produces fire and if Honourable Members from this side threw any flints at him and his colleagues, it was in the hope that it might ignite a little spark of patriotism and selflessness. My Honourable friend recited the many blessings of the war and the advantages that have accrued to India. As a matter of fact, he seemed to take credit for the blessings of war as he described them that had befallen the country. He told us that India, from being a debtor country has become a creditor country. He told us that India has been industrialised and many new industries have been started and he told us that 2 million Indians have been trained in the science of warfare. He told us that two lakhs of people have become technicians. All these great blessings have befallen the country and for that Dr. Khare and his colleagues on the Executive Council wish to take credit. But I am afraid this claim of theirs will not go unchallenged by Hitler and Tojo who are responsible for starting this war, unless Dr. Khare claims that the responsibility for this war which has brought on all these advantages to India is the outcome of the efforts of the Executive Council.

Sir, I thought that as it was a financial measure that we were discussing, the Honourable Member would have, while showing the credit side, shown the debit side also. He should have presented to this House a true balance sheet of the blessings and miseries of this war. It is this war and the incapacity of this Government to deal with the problems arising out of it that has cost millions of lives; it is due to this war that millions of people have died of starvation and want of medical relief; it is due to this war that today in the country there is general depression and there are millions and millions of people who are living in actual misery; it is due to this war that India is today constitutionally in the same position as she was a hundred years ago; it is due to this war that in the name of Defence of India Rules the liberties of people are being curtailed without any hesitation. These are the real "blessings" for which the Government of India can truly take credit. It has been complained by the Indian Members of the Executive Council that some people on this side have called them unpatriotic. Sir, I do not for a moment doubt their patriotism; but it is patriotism of a kind which does not commend itself to the people of this country. It is patriotism which has been defined by no less a person than the Secretary of State for India as betrayal of their parties and their leaders. The Secretary of State while speaking in the House of Commons on the 1st August, 1941, after the first expansion of the Executive Council took place, said:

"To think that regardless of party leaders and in defiance of party discipline patriotic Indians have come forward to work for India's defence", etc.

[Nawabzada Muhammad Liaquat Ali Khan.]

This is not the definition that is given to patriotism in European countries. There any one who defies his leader or betrays his party or the people of his country is called a Quisling. In India things are different; here they are called patriots. I am not doubting their patriotism for a single moment; all that I am saying is that when any of the Members from this side have accused them,—the Indian Members of the Executive Council,—of not having shown that patriotism which they expected of them, it was patriotism of the kind which would commend itself to their own countrymen.

Sir, my Honourable friend, Dr. Banerjea, made very exhaustive observations about the food situation in Bengal. The food situation in Bengal was indeed terrible and, as I have stated on a previous occasion, the sole responsibility for that was of the Government of India. My Honourable friend, Mr. Chatterji, when he made his speech could not resist the temptation of having a fling at the Muslim League Ministry in Bengal. His speech gave one the impression that he was coached to praise the Food Department of the Government of India; but I am afraid Mr. Chatterji has proved a very poor pupil, and I only hope that in the interest of his students he is a better teacher. He stated that the Government of India could only take food to Bengal and it was the responsibility of the Provincial Government to make arrangements for its distribution. Surely, Sir, my Honourable friend has been long enough in this House to know that the means of transport,—the railways which are the only means of transport these days,—are not under the Government of Bengal but under the Government of India. And it has been discussed on a previous occasion how the railway department of the Government of India failed to come to the rescue of the people of Bengal during the time of the last famine. I shall not take the time of the House by repeating what has been already said.

My Honourable friend, Sir Reginald Maxwell, made indeed a very lucid speech on the 8th February last while speaking on a non-official Resolution. Similar reasons and similar sentiments and similar arguments were repeated by the Leader of the House when we were discussing the grant of money to the Executive Council; and I might say that very much the same sort of thing was said by His Excellency the Governor General when he addressed the Members of the Central Legislature. The impression which these gentlemen intended to convey to the world at large was that the British Government have done everything conceivable and everything possible to secure the honourable co-operation of the peoples of India in the prosecution of this war, and that it was really the Indians who were responsible and who were guilty of defence of their country. Sir, the Honourable the Home Member divided his speech into three parts. He told us that in October 1939 the then Viceroy Lord Linlithgow made a certain offer and invited Mr. Gandhi, Dr. Rajendra Prasad (the then President of the Congress) and Mr. Jinnah to a joint conference with him. He put forward certain proposals; I shall not repeat them because Members of this House are fully aware of what those proposals were. But the Congress were not willing to even consider those proposals at that time. Then he told us that in 1940 again the then Viceroy made certain proposals which would have enabled leaders of public opinion in this country to shoulder at least some of the responsibility for the defence of this country; and he told us that at that time also the Congress refused to have anything to do with those proposals. And then he told us that again in 1942, what are known as

1 P.M. Cripps proposals were brought out to India on behalf of His Majesty's Government and that again the Congress rejected those proposals. I think it would have been only fair if the Honourable Member had told this House as to what was the attitude of the other parties with regard to these proposals. Let me tell you that as far as the Muslim League is concerned, from the very beginning we have realized the importance and

the necessity of doing our utmost to defend our hearths and homes, and I would refer to a Resolution of the Muslim League that was passed in June 1940 when the war was not going well for Great Britain and its Allies, when things indeed were very serious. What did the Muslim League say then? It said:

"The grave world situation demands serious efforts on the part of every Indian for the defence of his country, and the Working Committee call upon the Government of India to prepare the country in an organized manner to meet every eventuality."

That attention of the Government of India was drawn to this long before the 8th of August declaration was made. The same Resolution further says:

"The Committee, therefore, authorize its President to enter into communication with His Excellency the Viceroy with a view to explore the possibility of devising prompt and effective measures to mobilize the country's resources for the purpose of intensifying war efforts and defence of India. The Committee is of the view that until a satisfactory basis for close co-operation is agreed upon on an all-India basis between the Government and the Muslim League and such other parties as are willing to undertake the responsibility for the defence of the country in the face of imminent danger, the real purpose and objectives will not be served and achieved."

It was in June, 1940. The 8th of August declaration of 1940 which was intended to seek the co-operation—and I might say, Mr. President, by co-operation I mean honourable co-operation—offered to the Muslim League—the Congress having already declined to even consider the offer—two places in the Executive Council, as if the Muslim League was dying to have two jobs in the present Government of India. Sir, I would like to mention as to what were the reasons why the Muslim League rejected the offer that was made to it and my object in doing so is to show and prove that the British Government, in fact, never desired the honourable co-operation of the peoples of this country. The type of co-operation which they have been wanting from us is the type of co-operation which is offered by camp followers and slaves,—not the type of co-operation which equal partners in common enterprise can offer. Sir, the Working Committee considered this offer of His Excellency the Viceroy and they rejected the offer on the following grounds:

"The Committee are not yet aware of the manner in which the entire Executive Council will be re-constituted. The Committee have no information as to which are the other parties with whom the Muslim League will be called upon to work. The Committee understand that the President has not been informed as to what portfolios will be assigned to every one of these additional Members. The Committee are merely asked, without any further knowledge or information except that the total number of Members of the expanded Executive Council will be in the neighbourhood of eleven, to send a panel of four out of which two will be selected for appointment as Members of the Governor-General's Executive Council. As regards the proposed War Advisory Council, which is now called 'the National Defence Council', it is neither national nor is there any defence matter concerned."

Dr. P. N. Banerjea: Nor is it a Council in the proper sense of the word.

Nawabzada Muhammad Liaquat Ali Khan:

"As regards the proposed War Advisory Council, the Committee do not know its constitution, composition and functions beyond the information that it will probably consist of about twenty members, and the Committee are asked to submit a panel out of which five will be nominated by His Excellency the Viceroy."

Now, I ask you, Mr. President, could any decent party accept an offer of this kind, and I submit that the offer was intentionally made in a manner which would not be acceptable to any honourable man or a decent party.

Then, Sir, I come to the third stage and that is the Cripps proposals. What was the position with regard to those proposals? With regard to those proposals, Mr. President, the position was exactly the same, and I will tell the House as to why the Muslim League thought it necessary not to accept them. Apart from that, let me tell you—it is no secret—that the Cripps proposals were intended to be given effect to only if all the parties and all the interests would agree to the acceptance of those proposals. There was no room for any modification in those proposals; the future could not be separated from the present. And now, Sir, let me tell you why the Muslim League rejected those proposals. They rejected the proposals because there was no room for any modification of any kind. I am here concerning myself with the interim

[Nawabzada Muhammad Liaquat Ali Khan.]

arrangements which, it is claimed by the Government, would have given all the power that the Indians could demand:

"With regard to the interim arrangements there is no definite proposal except the bare statement that His Majesty's Government desire and invite the effective and immediate participation of the leaders of the principal sections of the Indian people in the Councils of their country, of the Commonwealth and of the United Nations. The Committees are therefore unable to express their opinion until a complete picture is available. Another reason why the Committees are unable to express their opinion on the interim arrangements for participation in the Councils of the country is that Sir Stafford Cripps has made it clear that the scheme goes through as a whole or is rejected as a whole, and that it would not be possible to retain only the part relating to the immediate arrangements at the Centre and discard the rest of the draft scheme."

Mr. President, my object in taking the time of this Honourable House by relating these facts was to show that the British Government really never desired the co-operation of the peoples of this country. On the admission of the Honourable the Home Member the Congress were unreasonable. Let us concede, that they were unreasonable. You have demand them. You have outlawed them. But what about the other parties in the country who have always been willing to cooperate? What have you done for them? What I submit is that you never intended that true representatives of Indian opinion of any section in the land should be associated in your Councils. You only wanted men who would always say 'yes' to whatever you chose to place before them. That is the reason why you have ignored the hand of friendship of every other party in this country. Mr. President, the British Government, the British people and my Honourable friends of the European Group are greatly annoyed when anybody from this side shows any distrust of the promises and the professions of the British Government. But, Sir, if we show any distrust, it is due to their own policy and their own actions. They always placed formulas before the people and the reason for showing that distrust is not unreal. I shall read an extract from the speech of the Governor of Burma, Sir Reginald Dorman-Smith, which he delivered in London at a gathering on the 12th October, 1943. He stated:

"I do not pretend to be skilled in Far Eastern affairs. I have only seen Great Britain in eclipse there. But one thing I can say with some surety and that is that neither our word nor our intentions are trusted in that part of the globe. The reason for that is not far to seek. We have fed such countries as Burma with political formulae until they are sick of the very sight and the very sound of a formula which has come, as far as my experience shows, to be looked upon as a very British means of avoiding a definite course of action. Our formulae have puzzled not only our enemies but also our friends because they have been hard to interpret to either friend or foe."

This is the opinion, Mr. President, not of a disgruntled or dissatisfied politician of India. This is the opinion of a British statesman who holds a very important office within the British Empire today, and who is today the Governor of Burma. Now, if really the Government wanted the honourable co-operation of the peoples of India, they would not have fed them on formulas. They would have taken some concrete action, which I submit, Mr. President, the British Government have not taken so far.

Mr. President, (The Honourable Sir Abdur Rahim): It is now a quarter past one. The Honourable Member can continue his speech after lunch. The Assembly then adjourned for Lunch till Half Past Two of the Clock.

The Assembly re-assembled after Lunch at Half Past Two of the Clock, Mr. Deputy President (Mr. Akhil Chandra Datta) in the Chair.

Nawabzada Muhammad Liaquat Ali Khan: Mr. Deputy President, before the House rose for lunch I was dealing with the offers that had been made by the British Government or on behalf of the British Government from time to time to the peoples of India for co-operation in the prosecution of this war.

Now, Sir, let me tell the Honourable Members something as to how the present Government has been ruling over this country. Since the beginning of

this war our expenditure has mounted up by leaps and bounds. No commodity has been left which has not been heavily taxed. Mr. Jamnadas Mehta, while speaking on this motion, pointed out to the Government that their policy of levying taxes upon taxes would have a very demoralising effect on those who are fighting on the frontiers of India because they would be feeling and thinking all the time about their families who have to pay all these taxes that the present Government has been levying. My Honourable friend, Mr. Jamnadas Mehta, forgot at the time to mention about the death duties which the Honourable the Finance Member proposes to impose during the next Session of this Assembly. I would request him to reconsider this matter. A soldier who is afraid of death will never be able to put up a brave fight. And if the Indian soldier is going to think that by his dying in the cause of his country his relations will have to pay taxes in the form of death duties, he will think twice before he risks his life on the battlefield.

Major Nawab Sir Ahmad Nawaz Khan (Nominated Non-Official): Your argument may be met by providing an exception.

Nawabzada Muhammad Liaquat Ali Khan: My Honourable friend, the Nawab of Dera, who, in spite of the fact that he has no voice or authority in the Government, poses to speak on behalf of the Government.

An Honourable Member: God save this Government!

Major Nawab Sir Ahmad Nawaz Khan: I have not said on behalf of the Government of India, but I say that your argument may be met by providing an exception.

Nawabzada Muhammad Liaquat Ali Khan: I think the House would have welcomed a speech from the Honourable Member at the proper time, but at this time I do not think the House is very much interested as to what are the private and silent views of the Honourable Member. There is no denying the fact that during the last four years of war the burden of taxation in this country has become very heavy. Even betel-nuts which are chewed mostly by poor people are going to be taxed. The resourcefulness of the Honourable the Finance Member is to be praised.

Dr. P. N. Banerjee: He is a research worker!

Nawabzada Muhammad Liaquat Ali Khan: But his desire for money from any source, under any circumstance, without any consideration, is to be condemned. It is being repeated day in and day out that all the help that Government are getting from the people is voluntary and out of willingness on their part. Mr. Deputy President, only a Government which is not in touch with the peoples of the country could think that all the assistance that they are getting is being offered willingly by the peoples. It is not that the peoples of India do not want to help in this war. It is not that the peoples of India do not want to defend their country. But their willing and real co-operation you can never achieve unless you have a Government in which the people will have confidence. Sir, it has been placed before this Honourable House as to how the war loans are being subscribed to. Only the other day we had the case recited here of an Honourable Member of the Council of State. I wish to point out to Government that if they want the real co-operation, the willing co-operation of the peoples of India then they must change their policy and their outlook.

Mr. Deputy President, His Excellency the Governor General in his address to this House said that "the offer of co-operation in the Government on this basis by the leaders of Indian opinion is still open to those who have a genuine desire to further the prosecution of the war and the welfare of India". Later on, he stated, "I have spoken to you frankly and bluntly as I have been taught to speak as a soldier". He has certainly spoken to us frankly and bluntly as a soldier, but has he taken action as a soldier which is the chief qualification of any soldier, to get the co-operation of the various parties in this country? So far, I am afraid, Mr. Deputy President, the soldier Viceroy has only contented himself by making blunt statements without taking any bold action. The sins of commission and omission of this Government are numerous and if I were to discuss each one of them it would take a very long time and I do not think that I would be justified in doing so. During the last six days, we have

[Mr. Bhulabhai J. Desai.]

real application. We have a representation which, as I pointed out on an earlier occasion, is a mere mockery. You have called together a Legislative Assembly the position of which was described—I wish it had not been so described—at all events, in the manner in which in cold print I read it it was described to be something like this—“Oh, but we are irresponsible and we are irresponsible. Do what you like.” If that is the challenge that is thrown to the representatives of the people of India here, then they have accepted and taken up the challenge. For, indeed, it must be remembered that it is an idle boast to make a mockery of an institution and create or hope to create a false propaganda based upon it.

You have two hurdles by which this Assembly's vote is camouflaged. The first hurdle is the 39 Honourable men and woman with honourable exceptions, and the other is the friendly help of those who feel that India might well be kept for themselves, so that you really begin with something like 49 votes to start with. Therefore, it is hoped that with that hope you are prepared to tell the world that 49 and a few more represent the country. You are welcome to lay that flattering unction to yourself. That is the very first hurdle. But there is a greater one still. Even if these 39 and a few other helpmates are not enough, they still have the power to call you back again and say: “I ask you to re-consider this certified Bill. If you still persist in rejecting it, it will

become the law from day after tomorrow”. This is the situation in which we find ourselves in this House, and I am fully aware and fully conscious therefore that what we could have done in doing our duty, would be to so clear our position so that it is founded on principles which you may ignore at your own peril and which you may ignore at the cost of integrity. For, there is no other method by which there is an appeal left so far as I and my Honourable friend, Nawabzada Muhammad Liaquat Ali Khan, can appeal to you. For, we cannot appeal to you on the ground as I said of physical strength that you mass, we cannot appeal to you, on the ground that you wish to apply principles which are applied and which you hope to apply some day in the future, of promise which lies in embryo. God knows when the time is going to come for its fulfilment. So that, today the situation is this, that you have the illustration of people who want to vitalise and awaken the world by ideas for which they are fighting. They are fighting for freedom, and they are fighting for democracy. The very fundamental desideratum of such a fight must be that you ought to be able to fight with clean hands, that your own house is in order, that there is full freedom and that there is democracy where you can help it. Therefore, it was that 3½ years ago, I ventured to tell this House that whatever may be faults of the organisation to which I belong, there is at least one thing they are prepared to do in the grave emergency and disaster which has overtaken the world, that if you form a National Government at the Centre, it is up to us to do our best to fight this war for the protection of India and for the protection of democracy at large. But if democracy is to be used only in order that yours may be preserved and that you may preserve India as your property, that is a very different proposition. So that if you are fighting for democracy you will have the first desideratum, the first requisite necessity, not on any terms, not on any formula, but on the plain straight forward ground that representatives of the Indian people, for they have been elected on the very widest franchise which you in your wisdom under the last Act of 1935 gave this country, the representatives of the Indian people demand the formation of a National Government. But you prefer to carry on with people who cannot claim to represent even an iota of the section of the Indian people, whom you call co-operators. As I then pointed out, by National Government was meant—the passage is long enough, and I do not want to weary the House by reading it over, and I will give only the substance of it—it was not a mere majority Government that was wanted. It was a Government composed of the representatives of every element in the House; it was not required that the then constitution of the Government of India should be altered. We were quite prepared to place our services at the disposal not of His Majesty's Government,

but at the disposal of our own country, so that its cause may be fought with clean hands and with stout hearts.

Therefore, the first ground, on which you will easily understand why this measure must be opposed by any representative elected by the people of this country, is that he cannot be asked to pay, when it is for others to spend. It is an extraordinary demand made on their purse, it is a curious burden which they are called upon to bear without any corresponding privilege given to them. That is the reason why a National Government alone can impose taxes on its countrymen, because in its turn it has the choice of the causes on which it will spend, it has the choice of controlling the method in which it will be spent. In due course of time, I will point out to you that judged by those tests, so far as the first is concerned, irrespective of any personnel of the Government of India, you must utterly fail. None of them can claim that we should be asked to place the burden, that we should not be allowed the privilege of disbursing it at our pleasure, but that you should have the power and privilege to spend it on causes as you like. Therefore you should not wonder, if you continue to persist in that kind of constitution that this one is, if you continue to persist in ousting people's representatives from handling their own affairs, that they do not lend themselves to you as your agents and servants in finding money or resources or men for you. They have no desire to grudge men, or money or resources, for it is far better that they should find them than that you should be able to extort them, that you should resort to a policy of spoliation and expropriation which is considered in the present day as co-operation. They are co-operators, I quite agree. If you pay them amply, they are co-operators all right. I have read the list in His Excellency's speech of the co-operators, seeing as ever it represents not any section of the Indian peoples at all. I will read the list to you:

“the eminent and patriotic Indians of my Executive Council and of Provincial Governments, the fighting forces of India, the largest forces ever raised in history by voluntary enlistment; the leaders and workers of industry who have made such a contribution to the war, the Rulers of Indian States.”

Yes, Sir, these co-operators represent the Indian people. I think you can make such a list and without any argument ask the next question whether you can say that the kind of co-operation that you are getting is the co-operation of any integral section of Indian people at all. I have every respect for those who co-operate in so far as their own self-interest dictates them is concerned. I do not quarrel with those who think this is their time, charge four times the price and they would be helping the war effort. But who pays the three parts in addition to the one which you paid, before we are asked to vote and pay for it? Then there is the co-operation of those who are lured by salaries, by allowances and by dazzling future and everything else. I want every Indian to fight for his country, no more and no less than you want Indians to fight for their country and also for democracy in general.

[Nawabzada Muhammad Liaquat Ali Khan.]

I heard various complaints about various matters and the chief reason for all these complaints has been because the present Government of India is neither in touch with nor has it the good will or co-operation of the peoples of India. During the last three years the policy of the Muslim League consistently has been to oppose the Finance Bill,—not that we do not want to help in the prosecution of this war, not that we do not want to vote money for the defence of India—but because we have no confidence in the present Government. We are not willing, we are not ready to place the resources of our country into the hands of a Government which is not only irresponsible but irresponsible. We are not willing to be a party to putting heavy burdens on our people and making them pay heavily for the prosecution of this war when we find that corruption and inefficiency are writ large over the Government of India. The other day my Honourable friend, Dr. Khare, said that some Members had accused the Members of the Executive Council of corruption. I do not think that any Member of this House even insinuated that any Member of the Executive Council was guilty of taking bribes.

The Honourable Dr. N. B. Khare (Member for Indians Overseas): I did not say so.

Nawabzada Muhammad Liaquat Ali Khan: That was the impression which he conveyed. But what the Members from this side said was that the corruption in various departments of the Government was more rife today than it had ever been in the past. And if my Honourable friend does not know what is happening under his nose, then I cannot be responsible for that. It is a common talk in the country that those who are responsible for putting into effect the various schemes of the Government, a large number of them, are following the policy of making hay while the sun shines. As a matter of fact, I have been told by some people that a number of the officials today think, 'Well, let me make as much out of this war as I possibly can'. We are told—why don't you bring the various complaints to the notice of the Government. Does my Honourable friend know that if any contractor had the courage to do that he would be deprived of doing any business with the Government in the future? You may say 'Well, the people themselves are not honest, those people who take contracts'. May be, it is true but greed for money is the greatest curse and your present policy has created a terrible greed for money amongst some people. Therefore, I do not think that we can conscientiously place the resources of this country in the hands of a Government which is incompetent to deal with a situation like this. His Excellency the Viceroy stated:

"Our primary object overriding all others must be not merely to make certain of winning the war. The United Nations have already done that by endurance through adversity, by sacrifices of comforts, by unity of spirit, by unremitting hard work—but to win it as speedily as possible and with the least draft on future prosperity."

I am afraid the policy that is being followed is not the policy which has been stated here. The war you may win. I hope you will win but it will not be a victory of right over might. It will be a victory of greater might over lesser might and let me tell you that wars that are won because of the fact that one party has greater brute force than the other—such victories do not last very long. It is a vicious circle. Therefore if the desire of the United Nations is to save humanity from future catastrophe, then let your policy be such that it will secure for you the co-operation of all the peoples in this country. Let your policy be such that it will secure for you the goodwill of the peoples of India so that when victory comes you may be able to say that this is the victory of right over might, of justice over injustice.

Sir, a discussion of the Finance Bill is always not only on its merits, with regard to the proposals it contains, but with regard to the constitutional aspect of the question also. This Bill is attacked on merits and it is also attacked on constitutional considerations. And we the members of the Muslim League Party have decided to oppose this Bill and to oppose the consideration motion which is before the House. I wish to make it clear once again that our opposition

is not to the war effort; our opposition is not to the defence of India; our opposition is to your policy which you have been pursuing during the last four years. Our opposition is to the actions which you have taken in the past and as long as the composition of the Government of India is, as it is today, unrepresentative, irresponsible and irresponsible, our opposition shall continue. We shall go on opposing not only the Finance Bill but every other measure which you will bring before this House for putting any burden on our people.

Mr. Bhulabhai J. Desai: (Bombay Northern Divisions: Non-Muhammadian Rural): Mr. Deputy President, Sir, it is after a lapse of some three years and a half that I venture to stand before this House in vindication of the position that has been taken up in reference to the consideration of the Finance Bill which is before it. And in order to consider the grounds on which I ask the House so to do, I wish to remind you of a few events which took place on the immediate declaration of the war and soon thereafter when the Supplementary Budget as a token budget of what was called the war budget was brought before this House in the month of November 1940. Ever since the declaration of the war, as I then made it clear to the House, and differing from the philosophic view that Mahatma Gandhi espoused, for that was always and often almost in time without season impressed upon us that so long as Mahatma Gandhi guided the policy of the Congress, there was no expectation and no reasonable ground to believe or hope that Congress would be whole-hearted in support of the prosecution of a war of defence—I then made it quite plain and read out the resolution that was passed by the then Working Committee, begging to differ and dissociating itself from the view of the ultimate prevalence of what he believed as the principle of non-violence, notwithstanding the suffering gone through in the meantime. We then felt that during the short period of immediate history, while right should always be the guiding star of man and humanity it was equally necessary that, while we were attacked, it was our duty to defend and in so doing there will be no question of preferring one method over the other. I then told the House that the only ground on which we opposed the Budget was this apart from other arguments which were used, which I do not wish to repeat on the present occasion—If you form a National Government, I then submitted to the House, and put upon them the responsibility for the purpose of India's defence and such further action as may be needed in so far as the protection of democracy anywhere is concerned, India was prepared to co-operate. And by that statement we still stand notwithstanding the fact that many circumstances have in the meantime taken place and which can be used for the purpose of excusing to accept that co-operation which had been offered. By that statement we stand, not merely in words but in spirit because it is not unlikely that as a debating point it can always be said: 'If you oppose the grant which is now asked for and refuse to pass the Finance Bill, you are opposing the war and you are opposing the war effort'. The argument was too specious to require much repudiation, but none the less it was essential that we should make our position quite plain, not with reference to the earliest shifting stand that we have taken today but with reference to the earliest opportunity when I had the occasion to make a statement before the House.

There are two principles which I want this House to bear in mind in order that this position that we are taking up may well be tested. We always praise such qualities in our great Allies when it suits the occasion, but we forget the basic things they stand for, when they are very inconvenient and can be easily cited against us. The two great Allies, the Americans and the Russians, lay before you a great example by which His Majesty's Government can treat India for the future and in the immediate present itself. The Americans separated from England on what may be regarded as a very hackneyed phrase 'No taxation without representation'. I am afraid, it may have become a mere school text, but tested in reality and tested by the process of the application of principles in time, they are eternal and true. And if they will not take to heart the circumstances which led to the loss of America, they cannot well complain that they lose another land for nothing. They must remember that the Bill contains, in so far as the position now is concerned, exactly the same principle in its

[Mr. Bhulabhai J. Desai.]

without the privilege, your irresponsibility, or as the boastful phrase goes, your irresponsiveness stands against yourself.

I say, Sir, and I say it again that though the war is coming to a successful end it is even yet not too late that a Government may be established in this country which would be representative of the Indian people and which would enjoy the confidence of the Indian people. For even during the short strenuous period that remains you cannot neglect the value of the co-operation of the people at large in any war effort in any land. And that is where the example of the other ally who has saved the world comes in. In Tzarist Russia what was the position as against Germany? They failed ignominiously because it was an army raised from the taxes exacted from the people, though they were Russian people themselves. But the same Russian people when they fight today fight because of an entirely different motive force which I think is recognised by every man from Mr. Churchill downwards. They fight because of the co-operation of the people or, to use a trite phrase, it is the people's war in that land. Unless therefore you make it a people's war,—you may succeed, and I believe you will succeed in so far as armaments are concerned,—but in so far as the vindication of a principle is concerned even at the end of the war you would never succeed in the cause of what you call democracy. For you may be quite certain that winning the war is one thing but winning the war for the purpose of establishing a larger peace, a more continuous peace, is a very different proposition. And India then cannot be left in the condition in which she is, if the hand that is offered now means, as one of my Honourable friends said, that they are merely keeping the place for us, I congratulate him in that belief and I have not the smallest doubt that it is a sincere belief, it must be implemented tomorrow and not afterwards. If we are asked to wait for it till eternity until perhaps you are not there even to keep the place, that is a different proposition.

The Honourable Dr. N. B. Khare: Come here tomorrow.

Mr. Bhulabhai J. Desai: I hope my Honourable friend will make a representation to His Majesty's Government so that his resignation may be asked for and accepted. That is a matter which lies in other hands, neither in my Honourable friend's hands nor mine. But so far as I am concerned, I am here to make an offer which we are bound to make, and in order to explain the position I am taking your time. I feel that in doing so I am not only doing justice to myself but I hope to evoke a sense of justice in my Honourable friends opposite. Because, if the common aim of both of us is that India shall be free, that India shall take charge of her own affairs, that India shall fight her own war, that common aim and that common purpose can be fulfilled. So far as you are concerned, I recognise that I can only address this House and those who form the present Government, and merely through them, to those who have the power to bring that condition into existence. As it has often been said in this House, we will only address you as agents and as conduit pipes. I have no personal grievance, never had one, against any single individual who forms part of Government under the constitution as it exists and the manner in which he conceives his duty and does it. Therefore our second, and perhaps in truth and in fact our first, ally has the greatest lesson, to teach you even during the short period that lasts, that if you make it a people's war, if you make it the business of the Indian people to fight their war, you will surely fight it better, and more efficiently and more speedily will it end. That is the courage with which we are inspired in making this statement before you. Therefore unless these two pre-requisite conditions exist, you can take what you like but you cannot expect us to put it into your hands in order that you may be able to do what you like with it.

These two grounds being clear, the first and foremost is this that if those who have to find the money and on whom the responsibility of finding it rests

have the power and the authority to direct the policies and the spending of it, then alone would arise a condition under which you can expect the people to vote the money. Otherwise the position is that by whatever name you may call it, certification, legal and constitutional or whatever other name you may give it, it is and must remain an extortion. It is unwilling payment for you are paying to a person in whom, not in personal integrity but in the larger political sense, you could not possibly place either your future or your confidence. It is for that reason that we realise, and I repeat again what I said, that it is up to His Majesty's Government to form a national Government at the Centre and put upon them the responsibility for India's defence and such further action as may be needed, in so far as the protection of democracy is concerned. India is prepared to co-operate, and you may be certain that between myself and those whom I represent and between those whom my Honourable friend, Nawabzada Liaquat Ali, represents and the followers of my Honourable friend, Dr. Banerjee, and a few other friends, if India is not represented, you may as well shut your eyes either to fact or to reason. But if you think India is represented in the rest who are co-operating, you are equally shutting your eyes to facts and to reason. And it is for that reason that without entering into any recrimination, in so far as the basic facts are concerned, there are two matters which I should like the House to consider. I should like them to consider, before any single vote is cast upon this Bill, first and foremost that it is only a representative Government in whom the people have confidence who have the right to demand a vote on supplies. It has been proved. Fortunately so far as America is concerned it has come to the aid of Britain and democracy in general in the last war and this war. But what a great disaster would it have been if the treatment meted out to America had so torn asunder the ties between England and America that the fruition of the participation of America in the war had not taken place either on the last occasion or on this. It is easy after the event to be self-satisfied and complacent and say, "Oh, our brethren across the seas will always see to it that the little land home of theirs shall never be attacked, shall never be dominated, shall never be subjected". But the underlying principle which they want and which we want and which the rest of the world wants is that if there is anything in the freedom of every race, in the freedom of every country and the ordering of their affairs by their own representatives, then the House will naturally have no other alternative but to say that so long as that condition is not brought into existence they will have nothing to do with the passing of the Finance Bill on any occasion whatever. Equally is it in the country's interest when we take the greater question into account. I am not at all afraid, and have never been, that our eastern enemy would ever be able to make any serious inroad into this country. Without pretending to be any military expert it is possible to say that they have not got the resources for it and they have bitten more than they can chew, and it would be impossible for them to launch any serious attack on this land except for the purpose of courting a moral disaster and a retreat. But none the less in order to make things doubly sure in order to understand that the Indian people are behind you, in order to make them realise that it is their war, it cannot be done at the bidding of those who do not enjoy their confidence.

These, Sir, are the first two basic points on which, I submit, the question, so far as the Finance Bill is concerned, must be judged. There are a few other matters which I would like to touch in order to reinforce the argument which I hope I have been able to put forward with such clarity, though the brevity necessarily is due to the fact that the time I have allotted myself is fairly short.

In so far as the actual conduct of the administration of this country, irrespective of their unrepresentative character, is concerned, we must begin to consider the matter on its own merits. It is not as if every rupee is not

— [Mr. Bhulabhai J. Desai.]

deserved, it is not the issue. The issue is we shall then demand what money we wanted if we were in authority and we shall so conduct our affairs as to prevent this country from lapsing into greater and greater disaster as I shall presently point out in a few words. To many of my friends from Bengal what is called the food problem and famine becomes so essentially a personal problem in the sense of being local, that they necessarily demand what little assistance even this Government can give in the midst of their dire distress. But to me the famine in Bengal in this fifth year of the war nearly now ending, is a greater condemnation of the policy of such omission and commission of which this Government has been guilty. For, indeed, if we are living on such a margin that a requisition has to be made for the purpose of food, retrenching transport and creating of necessity inflation—a somewhat hackneyed word again, but as to which I shall have a few words to say immediately—then it is obvious that we must be living on a margin where a famine stalks the land though in one only a part of it, the rest of the country, I am prepared to state before this House, is on the margin of starvation. If you think that a famine merely exists in Bengal because the death is facing every individual in conditions of life in which they live, it is a different proposition. But if two million people are allowed to die instead of utilizing the resources of this country for the purpose of using the same two million to fight the enemy, it is a very different proposition. If the country manages its economy of money, food and clothing in such a way that they begin to realize that the paramount demands of the fighting forces and of our near neighbours—Iran, Iraq and further West, in order to maintain our goodwill with them—are to be met at the cost of the lives of the Indian people, it could not be pretended that you have followed a policy in the interest of this country. If you are living on such a narrow margin,—indeed it is realized even by the propounders of the great fifteen-year plan which the Government, without blessing it, has not failed to appreciate in so far as it evokes the study of the problem,—this is not the time for text books and for studies. This is the time for studying human factors, for saving human lives. It ought to have been realized as soon as war was declared that time may come when everything that this country can produce either should be increased or conserved. But it cannot be that it is only after two million people have died that we begin to realize that there is such a thing as food problem. And how could the Government have failed to realize it? It was common ground even in the Government records that with the sixty-five rupees income and with the food that we produce, the average Indian so far—except perhaps a million—went on one meal a day. If that was not near enough to starvation and if you cut into that one meal what the result to the country would be ought to have been understood by any Government, however little thought they may give to the problems of the poor in considering the problems of the rich, for the problems of the rich are considered times without number: 'Oh! we must find out how India would be industrialized and we must find out as to what is to happen to the future?' But there is another side also. Therefore, it is that I do say to this House, to my Honourable friends opposite that they should have—whether it is a collective responsibility or individual—is a matter of no concern to those who speak in the name of the Indian people—that it ought to have been foreseen that Indian people were living on an absolute, practical absence of the margin of safety in the matter of food and of resources, and the economy of India should have been so arranged that this disaster should have been and ought to have been averted.

Coming next to what was said that India was getting richer because our balances—or what are called sterling balances—in England are rising: I do not pretend to be a great theoretical economist but I do understand—and I have worked out in concrete matters—as to what that means. It merely means Indian revenues or Indian debt position as paid either for men and material or imponderable services which Britain was primarily liable to pay, it is that

THE INDIAN FINANCE BILL

payment which is made in this land and which has resulted in the coinage of a sum nearly a thousand crores of printed paper. But it may be said, 'what does it matter; as against that you have or you are likely to have 975 million sterling in England'. I do not believe in lending credit when I myself am a pauper. It is an extraordinary economic proposition that I am the poor man, but in the meantime those who take my materials, those who take my services need not pay for it at all, but say 'it is to your credit; it is lying there; it is any day available'. What would you think of the answer if a money-lender goes and asks for money and gets the reply, 'look here, I am now starving and want you to pay me back a part of my debt', and gets the reply 'don't you think it is a great asset in my hand; I am solvent, you know that; let the money remain with me'. Will it be a great satisfaction to anybody if one has got an asset in the shape of debt due by others? That is the short analysis as far as I can see. But it goes much further; it has a deeper economic significance, because it has not been kept a secret. During many communiques and speeches it has been made amply clear. 'Oh! but the money will be at your disposal at the end of the war. It will make it so much easier for you to buy materials in England'. What does it mean? It means that having sat on your money I shall then tell you what I will give you for it; having no other money you cannot find material in any other country. Therefore it is the monopoly of trade at a price which you will dictate. Otherwise you may say, 'we are very sorry. War was fought for common purposes. 170 million was voted as gift at the end of the last war. This was a much bigger war, why not 900 million and be done with it'. So that we do not fail to understand. We fully appreciate the implication of the value of the sterling balances, but at the cost of the Indian poor. It is that on which I lay the great emphasis, and it is those thousand crores or nearing on them which has created what is called an inflation. What else has created inflation? I do not deny it that there is a certain amount of scarcity of materials, but unless India has been robbed for the benefit of other nations, there was no greater scarcity before than it is today. And after all is said and done, to clothe or feed an army of two million people out of 400 million people, cannot be such a tax on the resources that the scarcity of commodities is that which has created inflation. I entirely deny the theory that it is the mere scarcity of materials which has created what is called inflation. The inflation is the direct result. It is merely just a counterpart of what are called the sterling balances in the other country.

An Honourable Member: It is the printing press!

Mr. Bhulabhai J. Desai: If the debt had been paid as time went on there was no need to print anything here, and a suggestion was made by my Honourable friend, Sir Henry Richardson, whom I have not had the honour of personally knowing, I mean not in such close contact, . . .

Sir Henry Richardson: 3½ years.

Mr. Bhulabhai J. Desai: . . . that the European bears his burden cheerfully and manfully. Well, I dare say. If they make money on this country they pay a tax on it, and if that is a virtue it is a great virtue. But what we really wanted them and expected them to do was what America made them do—selling out the British assets in this land in order at least that the Government of India might have something to get on. But that is a proposition which is difficult. That is a proposition which alone would have enabled my friend here to stand before this House and say that I am bearing my share of the burden, the burden in so far as the supplies and purchases for the purpose is concerned, and it is not that England is bearing any burden. It is not a matter of mere understanding. This House is aware of the Domesday Award under which I believe, unless there are some other secret arrangements into which I have not been taken into confidence, the matter is still being worked in that spirit, if not actually in the terms of the award itself. So that, if the supply of materials, the supply of men and the supply of other services is made for a responsibility

1602

LEGISLATIVE ASSEMBLY

[27TH MAR. 1944]

[Mr. Bhulabhai J. Desai.]

or a liability which England is liable to pay, you cannot say that those sterling balances are really such a great or attractive asset as that India should be proud of it.

I see two sinister results in it. One is the inflation in this land and the other is the almost compulsory necessity for having to pay at the end of the war for what England is prepared to sell and at the prices at which it is prepared to do, because to find another Rs. 1,000 crores is not such an easy proposition. It is easy for England. It is easy for Great Britain. But it is far from easy for this country. That state of affairs ought not to have been allowed to go on. That state of affairs ought to have been righted as soon as it began to appear, that whereas we pay what another is bound to pay, and in paying that we create such an abnormal situation in this country, as that the poor man of substance becomes poorer still. For indeed, his six rupees cannot go as far as it did before. It is not necessary, and particularly in view of the knowledge that the Finance Member possesses in this matter, to illustrate this or argue it any further. Take merely the illustration of the price of rice as given in the *Calcutta Gazette*. If as compared with four rupees it is anything between 16 and 19, you can easily see what six rupees really means in terms of commodity.

Pandit Lakshmi Kanta Maitra (Presidency Division: Non-Muhammadan Rural): Twenty-five.

Mr. Bhulabhai J. Desai: You can easily see the position of the ordinary necessities of human life—food, clothing and shelter—let alone education and let alone anything higher over the spirit of man is concerned. If you are so managing the economy of this country as to condemn it to greater poverty, what is the corresponding blessing which you are conferring upon this country?

War was regarded as a blessing—it may be for a few but even if they make Rs. 500 or Rs. 1,000 crores, when redistributed, which will never be until conditions which are perhaps not so far off, may come into existence in the rest of the world. Therefore we have the example of people who shared both the burden and the privilege and the resources of the country on an equal basis, and there you have the instance of people who inspired by that high motive have been able to save the world. I think there are no two opinions in this world that but for the miraculous, stupendous effort of Russia, where would the world have been in the preservation of democracy, it is difficult to tell. And if we make the poor poorer, we are only paving the way to the establishment where that thing shall not be. It is not a matter of being trustee of the wealth that you have for the poor to distribute it if you like. It is a question of giving it up and sharing it once for all and never accumulating it at all: so that, without intending to go into the further implications of this issue, I do say, and as germane to the question which is now before the House, the Budget, that in the matter of the grave indication that the famine in Bengal shows as to the reality of the rest of the country and as to what the purchasing power of the poor men is concerned; it both points, without going into any details I submit, that the management of the economy of this country has failed. It might be quite possible that if we had been the Indian representatives they could have made the situation according to their own light, and even if it meant suffering the Indian people might have suffered. But how do you expect that the poor man starves himself in order that we may vote the money for you? It is an expectation which you ought not to have had. In fact I think but for the forms of presentation of the Budget, it would have been infinitely more explicit to have certified it at once if a legal subterfuge could have been found. We would have had nothing to say, or rather would not have had anything to say. You could have taken the money in the only manner in which you could have taken it against the will of the people and against their cooperation and you would have fought the war.

There are just two or three other matters which I wish to point out as part of the condition into which India's condition has deteriorated so far as the year

is concerned, and it is a subject on which I wish to speak with great restraint. It is subject of the administration of what I call the Home Department. The Honourable Sir Reginald Maxwell and I have very happy recollections of early days in rural parts of India where we did not differ so much as we do today; and if added to his integrity, which I have always admired, he had a little more mellowness and a little greater sense of justice, and looking at things from the opposite man's point of view, I think he would have been infinitely more successful. But Horatius holding the bridge, he is made as he is made. I have no quarrel, for God made him and made him well. But the manner in which he has administered this land from what he conceives to be his duty, does not redound very much nor can history read it with credit. There is such a thing as precaution in human life, but you can easily overdo it, so as to alienate the people to no purpose, and it is that which has happened, and which I want him to realise. It is merely my point of view and it is merely an expression of that aspect of the case. While I have carefully studied with some difficulty to be able to catch the exact reaction and the exact atmosphere of the House without having been here,—I really wish from that point of view that I had heard him personally and other Members opposite so that my reaction would have been more accurate, but I go as far as I can by the reported speeches to which I necessarily have had to resort. He, according to that integrity and inspired by that motive, thinks that it is far better to shut up a few thousand people as a precaution rather than take any risk. I do not here, and I will not refer even remotely to the resolution passed last year or the case that the Government has got of those who exceeded the wishes of the organisations in the methods they pursued in pursuing what they thought was their duty or their obligation. But I am one of those who have in an unqualified manner always said that if we cannot fight non-violently and gain self-government, any fight on a physical plane is not only folly but it is suicide. Therefore, I can have no sympathy whatever with all that has occurred in the prosecution of this movement except that they in their patriotism so conceived it. But the point still remains that it might have been better, there might have been a better approach, there might have been an easier replacement of the personnel of the present Government—I will not go into the question of the different offers that were made in 1939, 1940, and 1942. My Honourable friend, Nawabzada Muhammad Liaquat Ali Khan, has examined them. He has told you in plain terms, not mistakable, that you can always have a formula and so qualify it that the other side will never accept it, and yet get away with it as an argument,—I made you an offer and you would not take it. Therefore, it is that what is wanted is not a question of formula, what is wanted is not merely a make believe, but I am free to say, and as the House is aware, at least on one occasion we had very nearly reached an agreement.

That brings me to the next matter in the present situation—whether Government could do nothing whatever to attempt to solve it. Sir Reginald sees no deadlock because he says, the Executive Council of this Government is functioning, where is the deadlock? I quite agree. If the deadlock requires that you should not be able to function at all, then I quite agree that we have not done it, and I do not think it was anybody's intention. But the fact remains that if the representatives of the people who are not in the Government, are not co-operating with it, whatever dictionary meaning of the word deadlock may be, to an uninstructed man like myself, it is worse than a deadlock. You can withdraw that word if you like. Therefore, I say, by whatever name you call it, the situation is one which has got to be solved in the interests of all of us concerned. I do appeal to my friends opposite to make it possible. There is nothing lost in making an effort, there is no encouragement that you can give which would be wasted, but if you do not do it and people are uncharitable enough, you must pardon them. I think they would be uncharitable. It may be that you find that it is convenient to carry on the Government of the country on the line of least resistance as it is happening to-day with this House, which

[Sir Jeremy Raisman.]

certainly in relation to Britain it has not been suggested that any form of lend-lease should be embarked upon. In the case of America, India has received goods on lend-lease and India is giving a return by way of reciprocal aid. But India has received a considerable amount of goods of the same kind from Britain, warlike stores of various kinds necessary for the defence of the country. India has not embarked upon reciprocal aid to Britain so that we have the emergence of the sterling balances. I do not know how my Honourable friend, Mr. Desai, would have avoided that, except, of course, by refusing to have anything to do with the war. I began by saying that in that respect, of course, we were not on common ground because in the situation in which we find ourselves, Mr. Desai would not have agreed to co-operate in this war, whereas we the Government of India are determined to do so. In regard to sterling balances, various misgivings have been expressed from various quarters of the House. I myself feel that India's case is a clear case and a strong one. India has made sacrifices during the war. She has an extremely low standard of living. It is in the fitness of things that India should expect that after this war, the standard of living of the Indian people shall be raised even though it may involve a reduction in the standard of living of some western countries such as America and Britain. That is India's case and it is a strong case. I would however like to say on this point that not all the sacrifices that India has been called on to make during the war have been due to the diversion of goods to military use. It is not merely the diversion of those goods that has resulted in hardship, but the scarcity occasioned by that diversion unfortunately created an opportunity for such exploitation, such merciless exploitation as has rarely been seen in this or in any other country, and a greater part of the hardship which was inflicted on the poor of this country was, I regret to say, inflicted by the trading and commercial classes of this country. When my Honourable friend says, we do not mind if you pay three or four times the price you did before, but he has to pay for it, and again when he says, why should you expect us to vote the taxes, my answer is that exploitation has taken place, and that no matter what your politics may be, it is a part of your duty to attempt to rectify the results of that exploitation. That is one of the things which it is the object of the Government to achieve by means of this Finance Bill.

I was saying, Sir, that the normal method of international finance during the war has changed and that the conception of lease-lend has appeared on the scene. Nevertheless, there are many, and particularly in this country, who feel that the financing of war must be looked at from a purely commercial point of view and not merely from a commercial point of view, but from the narrowest commercial point of view. There are those who feel that it is consistent with the part that India plays in this war that she should extort the maximum of financial benefit from the circumstances of the war. Critics who take that view are in my opinion usually animated purely by political prejudice. There are many who feel, I regret to say, that they would like to inflict damage on Britain even though it gives no advantage to India. That is obvious in the case of criticisms regarding the sales of gold which are at present taking place. These sales are intended to assist to solve the same problem of financing the war. India is not asked to embark on the principles of lease-lend. But she is asked to take gold as a commodity sold at the market price. This is regarded by my Honourable friend, Mr. Krishnamachari, as an atrocious, as an immoral, as a highly unethical proceeding. I said the other day in my reply to the general debate on the Budget that the price at which gold was being sold was comparable with the price at which many of the articles which were being bought by His Majesty's Government and the United States were being sold to them by India. But speaker after speaker got up and said: "Oh! no, the supplies to Britain, the supplies to America are sold at a controlled price". Undoubtedly in many cases they are sold at a controlled price, but that controlled price is not necessarily lower than the index at which gold is being sold today. In some cases, it is actually higher. For instance, the controlled

THE INDIAN FINANCE BILL

purchase price of jute and cotton textiles is higher by about 80 per cent. than the pre-war price, of tea, it is up by 94 per cent., the control price of ghee has gone up by 135 per cent., of flour by over 200 per cent., and of rice, well, I would not mention rice. The uncontrolled price of gold is at the present moment only 70 per cent. above the pre-war price. But apart from that I suggest that the whole approach to this matter is wrong. I suggest that Mr. Krishnamachari and others who have commented on this are allowing their political prejudice to run away with them and that their agitation would be detrimental to India. What would happen if the Government of India were to exact and were to receive a share in the so-called profit? The only thing that would happen would be that we should receive some additional sterling. Because I must emphasise one point and it is this. Every rupee raised by His Majesty's Government through sale of gold is paid over to the Government of India to meet recoverable war expenditure. It must be remembered that there would be no more rupees forthcoming, if the Government of India share in these so-called profits, than there are at present.

Mr. Hooseinbhoy A. Lalljee (Bombay Central Division: Muhammadan Rural): Why?

The Honourable Sir Jeremy Raisman: The gold would be sold at the same price and therefore the rupees which would be obtained from the buyers would be exactly the same. But we should have to credit ourselves with further sterling.

Mr. Hooseinbhoy A. Lalljee: Where is the harm? **The Honourable Sir Jeremy Raisman:** What is the good? On your own showing the same people who have expressed misgivings have also expressed misgivings about the rate at which the sterling balances are growing and the figure which they have already reached. And what I am pointing out is that if you did what my Honourable friend, Mr. Krishnamachari, suggests the result would be a further accretion of sterling . . .

Mr. Hooseinbhoy A. Lalljee: They are valuable, according to you. **The Honourable Sir Jeremy Raisman:** But misgivings are being expressed. I am pointing out the kind of quandary into which you get when you try to apply a highly *bania* mentality with political animus to this kind of problem. But a more serious result in my opinion would follow. I think my Honourable friend and certainly various others did express their misgivings about the size of the sterling balances. I have already stated my view, as to the strength of India's case, in regard to that matter. But I should be reluctant personally to see these balances swollen by an element which did not advantage this country, and I think myself that this small accretion would be more capable of doing harm to India's case.

Mr. T. T. Krishnamachari (Tanjore cum Trichinopoly: Non-Muhammadan Rural): How?

The Honourable Sir Jeremy Raisman: If a matter of this kind should ever have to be submitted to the impartial judgment of any tribunal I would say that you would have damaged your case.

Mr. T. T. Krishnamachari: Will you submit your silver sales to the same tribunal?

The Honourable Sir Jeremy Raisman: Yes, certainly, I am perfectly prepared to submit this also, because my criterion is the same. Your financial operations are those of an ally in the war; you are not merely a *bania* in this matter but an ally. And therefore your whole attitude must be something different. Now in the case of silver, we sold silver for a purely war purpose; we sold silver to His Majesty's Government at a time when silver was required for an essentially war purpose. It was required to some extent, I may say, even for the battle of Britain. Silver is very largely used in the photographic processes of the Royal Air Force. Now we sold silver when it was required for a war purpose and I admit we refrained from saying that we would extort the maximum price that we could. We sold it for a price which involved no loss and it was used entirely for a war purpose. Now, my criterion here is

[Sir Jeremy Raisman.]

exactly the same. We are prepared to see gold sold for a war purpose in a manner which yields us no profit; the proceeds of those sales are used entirely in order to finance the war expenditure of His Majesty's Government and America in India. The amount of prejudice which has been imported into this question and the incredible ignorance can be illustrated from almost any journal, but I will take an example from a paper which I was reading only yesterday. This enlightened paper gives two columns and a bit on a subject called "The Gold Sales Scandal" and contains the following sentences which I will submit to the expert judgment of my Honourable friend, Mr. Krishnamachari.

Several Honourable Members: What is the name of the paper?

The Honourable Sir Jeremy Raisman: It is "*Roy's Weekly*"; It says:

"But the continued drop that has been noticed in the sterling balances of the Reserve Bank gives a partial indication of the extent of the gold sales in this country."

And then it goes on—

"Both the Government of India and the Reserve Bank of India stand condemned in the eyes of the public of India. The danger of permitting the U. K. and the U. S. A. to sell gold in this fashion in payment of their sterling liabilities is already visible in the downward trend of the sterling balances at the disposal of the Reserve Bank to which we referred earlier in this article. By an extensive manipulation of the gold market mechanism Britain could in the long run even wipe out our entire sterling balances; which it is our intention to preserve and redeem in goods and not in gold."

Well, Sir, as an example of the incredible miasma of confusion that has been imported into this question largely as a result, as I say, of the political animus which primarily actuated my Honourable friend, this is the sort of thing we have. I would ask him whether he can make anything out of that.

Mr. T. T. Krishnamachari: I am not responsible for "*Roy's Weekly*". I do not edit it.

The Honourable Sir Jeremy Raisman: But my Honourable friend is responsible for stimulating a good deal of the lucubrations that have been produced on this subject.

Sir, I must leave that point and go on to deal with some of the questions that have been raised in regard to the taxation proposals. Before I do that, there are two questions which Sir Vithal Chandavarkar put to me which I think I should attempt to answer. The first was in relation to the question of the British commercial assets in this country. I am not quite clear what exactly the proposal was which he wished me to discuss, but apparently it related to British commercial assets in India which are private property and which belong to private individuals and companies. I gather that he thought that His Majesty's Government might somehow raise funds on the security of those assets. He, however, then further went on to say that he personally entirely disapproved of any suggestion for expropriation. I am afraid I do not understand what the nature of his proposal is. If he were thinking in terms of compulsory expropriation I can understand how a mortgage might be raised on those assets. But since he himself admitted that that was not what he was advocating I do not know how anything of this kind can be carried out. I have no doubt that he and many other Honourable Members are aware that transactions of this nature are taking place on a voluntary basis; but the question of the intervention of Government by way of compulsory expropriation is an entirely different matter.

The second question that he asked me related to foreign loans. He seemed to think that I had not answered the suggestion of the economists that Allied Nations might be asked to raise their rupee requirements by loans in India. I did touch on that in my Budget speech, but I will explain what my main objection is. If those loans were raised on the same terms as the Government of India's loans then I see no reason to suppose that they would be any more successful or they would mop up any more money than we are already raising on those terms. If, on the other hand, they were raised on different terms, on more favourable terms, then I see the gravest objections from our own point of view. For those reasons I do not think the suggestion is a

[Sir Jeremy Raisman.]

Sir Cowasjee Jehangir wanted to know when the E. P. T. deposit would be repaid and whether it would carry any interest. I attempted to give him the answer at that time, but I may perhaps for the information of the House give it in more detail. The Finance Act, 1942, which provided for voluntary deposits also provided that they "shall carry simple interest at the rate of 2 per cent. per annum and shall be repaid within twelve months of the date of termination of the present hostilities". The E.P.T. Ordinance (16 of 1943) which made the voluntary deposit compulsory applied this provision about interest and repayment to the compulsory deposit. The present Bill does not alter that position. It seems to me that that provides the answer which my Honourable friend, Sir Cowasjee Jehangir, required.

Sir Cowasjee Jehangir (Bombay City: Non-Muhammadan Urban): I wanted to know what was the exact position of the Government with regard to the E.P.T. deposit. Is the deposit exactly on the same level as fixed deposits in a bank, or will you place any new conditions when the time comes to repay?

The Honourable Sir Jeremy Raisman: I have made it perfectly clear with regard to this deposit. I cannot give it a better character by using the analogy of a bank. The law on the subject is that which I have mentioned, namely, it is a repayable deposit and no conditions have been attached. It is impossible for me to put it on any higher footing than that; it seems to me already to be on the highest footing. If my Honourable friend wants to know what my personal views are in regard to that then I give him the assurance that they shall be repaid unconditionally. That is all that I can add to what is provided in the law on the subject.

Sir Cowasjee Jehangir objected to the clause in the Bill providing for deduction from Excess Profits Tax capital of amounts due to Government by way of advance payments of tax or by way of compulsory deposits. But surely this is only a logical extension of the provision which has been in the Act from the beginning that any debt for income-tax, super-tax or excess profits tax shall be deducted. It is obvious that money generally speaking owed to Government should not be treated as capital employed in the business.

He also made certain criticisms of the pay-as-you-go scheme, and he suggested an alternative, which may well be described as a pay-as-you-please scheme. I may say that I have considered that particular alternative and various other forms of the pay-as-you-go system. I am fully aware of the importance of not imposing on our administrative staff any heavier burden than they bear already. But if my Honourable friend has studied the Income-Tax Amendment Bill, he will see that most of the processes that have been added are purely clerical processes.

Sir Cowasjee Jehangir: Quite wrong.

The Honourable Sir Jeremy Raisman: Well, I venture to disagree with my Honourable friend. It was the intention, and I think we have carried it out, not to bring the Income-Tax Officer himself in to any great extent until the stage of assessment. Practically all the other work is done by clerical process and it is of the nature of a measure which imposes on the assessee the obligation to assess himself and to comply with the requirements of the law, failing which he will find that he has to deal with the Income-Tax Officer when the latter comes to make the assessment.

Whilst I am on this subject, I would like to answer a query that was put to me by my Honourable friend, Sir Henry Richardson, and that is in relation to the draft rules which have been published dealing with the extent to which, for excess profits tax purposes, bonuses and commissions should be allowed in computing the profits, and stocks should be included in the average capital of a business. Representations have reached me from various quarters

as to the hardships that would be involved in applying such a formula to all cases, and I realise that there is some force in those representations. At the same time, the object which those rules were drafted in order to achieve is an important one. My present position is this, and I will make it quite clear. If the anti-inflationary steps which I have included in the Finance Bill are effective, as I hope they will be, for securing the desired object, then I am prepared to hold in suspense the draft rules which were contemplated under the Excess Profits Tax Ordinance, and I would not at this stage proceed further with them. If on the other hand we find ourselves again in a position in which drastic action has to be taken, it would be necessary to consider what further measures should be taken up. I must however make it clear that even though these proposals may be held in abeyance, the provisions of section 10(2)(x) of the Income-Tax Act dealing with bonuses and commissions, section 10 (2) (xii) dealing with expenditure not wholly and exclusively incurred for the purpose of the business, and rule 12 of Schedule I of the Excess Profits Tax Act which deals with expenses incurred that are unreasonable and unnecessary, these provisions will, of course, remain in force and will be as hitherto applied in suitable cases. That is all I have time to say in regard to the questions relating to excess profits tax and income-tax.

I do not know whether I should go into the matters relating to indirect taxation. My Honourable friend, Mr. Jamnadas Mehta, and certain other speakers appear to think that the proportion of indirect taxation to direct taxation is unjustifiable. Mr. Jamnadas Mehta seems to think that all taxation in this country should be levied on those who are able to pay income-tax. That would mean that the requirements of this country of over 300 millions should be met by taxation of a class which, as far as I can see, numbers only about a quarter million, and what is more by taxation of only a fraction of that class. It seems to me that one has only to state the figures as they are to make it obvious that the system of taxation in this country cannot possibly be based on the exclusion of indirect taxation. Now if you admit the impossibility of dispensing with indirect taxation, then I claim that the measures which have been included in the present Finance Bill are of an entirely reasonable and justifiable character.

It was said that the proposed enhancement of the tobacco tax was premature and that there was no justification for it. The reasons for the enhancement are simply that we require the additional revenue of which a substantial share must be supplied by indirect taxation and that of all our present resources in the latter field, the tobacco excise is the one most capable of making a major contribution. The potentialities of a tobacco tax in so large a country as India are obviously very considerable and when this measure was introduced last year, it was always contemplated that it would presently become one of our most important productive revenue instruments, but because of the administrative difficulties which inevitably beset the introduction of any large scale organization, and particularly one of this kind, the tariff was at first pitched fairly low. Though some of these difficulties still remain the progress so far made with the inauguration of the system has been such as to enable it to sustain a somewhat larger burden, and in view of the pressing need for further revenue, we have decided that its potentialities should be more fully utilised. The proposition that tobacco stands pre-eminent among possible sources of indirect taxation and its suitability for this purpose is recognised throughout the world cannot be seriously contested.

With due respect to my Honourable friend, Mr. Jamnadas Mehta, tobacco is unquestionably a luxury, whatever its hold on the consumer, and I speak as one who has long been accustomed to its solace. It is in no way a necessity of life. It is therefore an ideal subject for taxation, since every smoker can regulate his consumption and therefore the amount of tax he will pay, and by varying the rates of taxes of different kinds of tobacco, as we have